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Marginal Column

By ZE'EV LAQUEUR

THERE is a story current in American diplomatic circles that George F. Kennan, while a secretary of the Embassy in Moscow during the 1930's, stumbled upon copies of the file of Neill S. Brown who had been U.S. Minister in St. Petersburg on the eve of the Crimean war. By selecting certain passages and changing the proper names he prepared a dispatch for Washington completely relevant to the current situation. There is little reason to doubt the authenticity of the story. A day or so ago I re-read the articles written by Karl Marx during the same period. Parallels to the present situation (both in the Middle East and the world in general) were so numerous and striking that there was one, and only one serious consideration against making Karl Marx write a "Marginal Column." Nobody would believe that this column was written in 1854.

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ON what some Western political observers know about the Middle East: "...it is to all intents and purposes a *terra incognita* and the common notions floating about among the public were based more upon the Arabian Nights Entertainment than upon any historical facts. Official diplomatic functionaries having been on the spot boasted a more accurate knowledge; but this, too, amounted to nothing, as none of these officials ever troubled to learn the languages. The business of these gentlemen was not with the people, the institutions, the social state of the country; it was exclusively with the rulers and especially with the dragomans. The traditional notions and opinions, founded upon such paltry information formed for a long while, and strange to say, form to a great extent even now, the groundwork for all the action of Western diplomacy with regard to the Middle East... There exists a great deal of information about the Middle East but the diplomatic wiseacres seem to scorn all this, and to cling as obstinately as possible to the traditions engendered by the study of Eastern fairy tales improved upon by the not less wonderful accounts given by the most corrupt set of mercenaries that ever existed."

●

ON xenophobia and mob rule: (Black Saturday dept.): "The Koran treats all foreigners as foes. The infidel is "*harby*," the enemy. The nation of infidels is proscribed, and there is a state of permanent hostility between the Musselman and the unbeliever... The mob in the big cities has to be won over by bribes and flattery in every important *coup d'etat*. Certainly there will be, sooner or later, an absolute necessity for freeing one of the finest parts of this continent from the rule of a mob, compared with which the mob of Imperial Rome was an assemblage of sages and heroes."

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ON Western foreign policy: "In all essential points Russia has steadily, one after another, gained her ends, thanks to the ignorance, dullness, and consequent inconsistency and cowardice of the Western governments. For the last thirty years, the action of the Western powers has either been annihilated by squabbles among themselves — mostly arising from their common ignorance of Eastern matters and from petty jealousies which must have been entirely incomprehensible to any Eastern understanding — or that action has been in the direct interest of Russia alone."

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ON Russian foreign policy: "The policy of Russia is changeless. Its methods, its tactics, its manoeuvres may change, but the polar star of its policy — world domination — is a fixed star."

●

ON the difficulties of disestablishing Islam in the Middle East: "If you abolish their subjection under the Koran, by a civil emancipation, you cancel at the same time their subjection to the clergy, and provoke a revolution in their social, political and religious relations. If you supplant the Koran by a *code civil*, you must occidentalize the entire structure of Byzantine society."

●

ON the origins of western imperialism in the Middle East (absence of guilt complexes dept.): "As the Koran treats all foreigners as foes, nobody will dare to present himself in a Musselman country without having taken his precautions. The first European merchants therefore who risked the chances of commerce with such a people, contrived to secure themselves an exceptional treatment and privileges originally personal, but afterwards extended to the whole nation."

Jerusalem, Sept. 13.

Israel Shaken By Midnight Earth Tremor

An earth tremor lasting a few seconds was felt throughout the country at 11:47 last night.

The shock was sharply felt in Tel Aviv, where it is reported to have lasted less than two seconds. Lights appeared in many windows all over the town and some tenants occupying the top floors of multi-storied buildings descended to the streets.

In Jerusalem, *The Post* received many calls from persons in various parts of the city who felt "something shaking" but were not certain that it was an earthquake. In top stories of tall buildings, some persons were shaken out of their beds.

Beersheba residents felt the shock for five or six seconds, but no damage is reported. It was felt only slightly in Haifa.

The meteorological station in Lydda had no information on the subject, as it is not equipped to record seismological disturbances. Details will be known when the seismographs in the Generali Building in Jerusalem and at the Hadassah Hospital in Safad are read this morning.

The last recorded tremor occurred in this country in September 1953, when it was particularly felt in the Beisan Valley and in the North.

Troops Fight Disease After Algerian 'Quake

ORLEANSVILLE, Monday (Reuter). — Vultures wheeled over this ruined city today as medical teams acted to prevent disease from spreading from polluted springs and rotting bodies still trapped under earthquake ruins.

Troops sprayed disinfectant and insecticide which had arrived along with tons of other emergency aid.

Mayor Biscambiglia promised today that in eight days the rubble will have been cleared and that reconstruction will begin immediately.

Building contractors are already studying the ruins, and 150 civilian labourers have been brought in to help dig the city out of its disaster.

The official death toll rose today to about 1,400.

Nasser Says Israel Should Yield Negev

CAIRO, Monday (UP).—Premier Gamal Abdul Nasser stated in an interview today that Israel sooner or later should give up the Negev.

Nasser said that the desert area of Jordan splits the Arab world in two and that Israel sooner or later should give it up so that the Arabs could have uninterrupted land communication.

"We believe that Egypt and other Arab countries must have this land communication, essential to their trade, their well-being and their defence plans."

The Arab countries do not expect to solve the issue immediately, but he hoped that the pressure of world opinion would lead Israel to give it up.

"As everyone recognizes that the defence area rests primarily with the people of this area, it is obviously important to establish land communication between Egypt and Arab countries in the interest of Mid-East defence.

"Obviously, the Arabs will continue to build up their defences regardless of Israel. However, Israelis have occupied territory in southern Palestine up to the Gulf of Akaba that has not been recognized as theirs either by the United Nations or the Arabs."

Jordan Protests Over Arab 'Infiltrators'

AMMAN, Monday (Reuter). — Major Mohammed Ishak, of the Jordan Armistice Commission, today submitted to General Burns a protest note against alleged Israel action in driving three Arabs from the Gaza sector to the Jordan frontier in the Jenin area.

The three Arabs were arrested by Israel forces while fishing in Gaza waters, and were sentenced to four months in prison in Israel, the Note alleged.

Major Ishak asked General Burns to seek their repatriation and to take steps to prevent such incidents in future.

GLUBB BACK IN AMMAN FROM LONDON

AMMAN, Monday (Reuter). — General John Glubb, Commander of the Arab Legion, arrived here by air today from London, where he had been spending a six-week leave.

After his arrival, he was received by King Hussein, Prime Minister Abu'l Huda and Foreign Minister Jamal Tukan.

It is reported here that during his stay in Britain, Gen. Glubb had raised the question of Britain paying an additional subsidy towards a proposed increase in the Arab Legion's manpower.

The Premier later reported to the Council of Ministers on Gen. Glubb's London talks. The Council also discussed alleged recent Israel attacks on Jordan frontiers.

MAC Condemns Egypt For Sabotage, Murder

The Israel-Egyptian Mixed Armistice Commission condemned Egypt yesterday for two flagrant breaches of the Armistice agreement, involving the blowing up of the main water pipeline near Nir Am on the night of September 7, and the murder of an Israel tractor-driver near Ruhama three days previously.

Both resolutions proposed by Israel were adopted by majority decisions with the votes of Israel delegates and the U.N. Chairman, Lt.-Colonel C.G. Bartholdy, at two emergency meetings of the MAC at kilometre 95 on the Gaza Road.

At the first meeting, the Commission adopted a four-point resolution noting "the existing serious situation along the demarcation line between Egypt and Israel," and condemning Egypt for a "flagrant violation" of Article V on September 4/5, when "two armed infiltrators crossed the lines from Egypt, penetrated to the area of Ruhama deep inside Israel territory, killed an Israel tractor-driver and retreated to Egyptian-controlled territory."

The resolution "calls on the Egyptian authorities to take immediate steps to stop at once such and other violations of the agreement."

At the second meeting, a five-point Israel resolution was adopted which found that on the night of September 7/8 a "well-trained and organized group of four men had crossed the demarcation line from Egyptian-controlled territory" and had caused "very serious damage" by blowing up the main water line near Nir Am "using approximately 30-35 kgs. of TNT and had returned to Egyptian-controlled territory in the direction of Beit Hanun." This "aggressive and hostile act of sabotage against Israel is a flagrant breach of Article II."

The resolution "notes once again with great concern that, despite the obligation imposed on Egypt by the Armistice Agreement and a number of MAC decisions, an end has not yet been put to aggressive, hostile and sabotage acts against Israel," and "notes further with extremely great concern the serious situation prevailing along the demarcation line resulting from these acts."

20 Egyptians Raid Beduin Encampment

A group of some 20 armed Egyptians attacked an Israel Beduin encampment at Bir Malaga, in the Nitzana area yesterday at 4:00 a.m., the Army spokesman has announced. The Egyptians tied up the sheikh, beat him and took his rifle, wounded an old man and abducted three young men.

Firing from Arab Legion positions on the Old City Wall was renewed yesterday when 15 shots were directed at Mount Zion at 10:00 a.m., the spokesman also announced. Two more shots were fired at 11:35 a.m.

Rump MAC Says Israel Shot Into Wadi Fukin

The Israel-Jordan Mixed Armistice Commission, meeting in the absence of the Israel delegation, condemned Israel yesterday for the shooting by four armed Israelis at the Wadi Fukin village in Jordan on Saturday which had resulted in the serious wounding of two boys, aged 12 and 13. According to the decision, the Israelis had directed their fire on a group of 10 Jordanians, six of whom were boys of 10 to 13 years of age and four were young men, all of whom were swimming naked in a reservoir 400 metres within Jordan territory.

Israel was further condemned for refusing to allow a U.N. military observer team to carry out an investigation in Israel territory. The condemnation noted that U.N. Observers had found bloodstains on the ground and the impact of bullets at the spot where the boys were hit. The points at which the bullets struck, indicating a line of fire, and the bloodstains noted, verified the statements of witnesses that the fire had come from the higher ground inside Israel.

The MAC called on the Israel authorities to punish those responsible.

The Israel Army spokesman said on Monday that investigation showed that no Israel unit had opened fire at Wadi Fukin.

UN Observers Begin Unlawful Patrols

Jerusalem Post Military Reporter

TEL AVIV, Monday. — Reports that U.N. Observers were patrolling some parts of the Jordan-Israel border roused considerable interest and were given widespread publicity here today.

The practice, which was first noticed a few days ago, is regarded as directly opposed to the provisions of the Armistice Agreement with Jordan, which cannot be modified unilaterally by either of the signatories nor by the U.N.

The idea that U.N. Observers should patrol the border is hardly a new one, and in the past, has been the cause of serious friction with U.N. personnel. It is one of the basic rules of the Armistice machinery that Observers must be accompanied by a local officer whenever they go out to investigate. This rule was scrupulously observed until a few months ago.

If U.N. Observers are to be shown respect by Israel soldiers they must be accompanied by an Israel officer; otherwise, a soldier has no means of knowing that a man in a foreign uniform is not an enemy agent. The fact that no officers are now detailed to accompany U.N. Observers along the Jordan border, is simply due to the fact that Israel is not represented on the Israel-Jordan M.A.C. This is a fact that cannot be ignored by the U.N. Truce Supervision Organization if better relations with Israel are sought.

ARAB NEWS SILENT ON BIR MA'IN CONFESSION

Neither the Amman nor the Old City press nor any Arab broadcasting station has so far mentioned the incident concerning the "confession" of an Arab Legionnaire that he was responsible for the murder of two Israel soldiers at Bir Ma'in last Friday.

Although the British-controlled Near East Arabic Broadcasting Station usually broadcasts the announcements of the Israel Army spokesman, the station did not carry Sunday's release on the "confession."

Israel Views US Policy With 'Dismay and Anxiety'—Sharett

WASHINGTON, Monday (Reuter). — Mr. Moshe Sharett, Prime Minister of Israel, in an interview published in the "United States News and World Report," expressed "profound dismay and mounting anxiety at the U.S. policy of arming Iraq and possibly Egypt and Syria."

Asked how the U.S. could build up Middle East defences against the threat of Soviet aggression if arms were not supplied to the Arabs, Mr. Sharett replied that there was, first of all, the question of whether the Arab States could be relied upon to play an effective part in any war on the side of the Western powers — "or, for that matter, on the side of anyone."

Directed Against Israel

Insofar as Israel is concerned, Mr. Sharett said, "There is a more crucial point and that is that arms, given to Arab States, are arms directed against Israel — potentially today, actually tomorrow or the day after... It forces us to increase our armaments by hook or by crook, to devote even a larger share of our meagre resources to self-defence, feeling all the time that American potentiality to provide arms will exceed our capacity for buying them in such markets as are open to us. We therefore foresee a state of very great peril for our security if this goes on.

"We are at a loss to understand how the U.S. can reconcile this attitude with its declared policy and concern to see Israel prosperous and secure."

No Arms At All

Asked if the danger of arms aid to the Arabs could be offset by a corollary programme of arms aid for Israel, Mr. Sharett replied, "The question is whether it could be corollary. I think it would be safer if no arms were given to Egypt or Iraq, even if it means no arms to Israel. It would be much safer.

"I simply do not see what the U.S. is gaining by arming the Arab states for the sake of her defences in the Middle East, because I do not think that the Arab states can be relied upon to use those arms in the defence of America — or democracy. They have no democracy and, therefore, no interest to defend it."

SHAPIRO CHARGES ORTHODOX SCHOOLS NEGLECTED

Mr. Moshe Shapiro, Minister for Religious Affairs and for Social Welfare, complained to the Prime Minister, Mr. Moshe Sharett, yesterday that the Ministry of Education had not fulfilled its obligations to set up a network of State-sponsored Orthodox schools.

Mr. Shapiro is Acting Minister of Education during the absence abroad of Professor B. Dinur.

Some 800 children were not receiving a proper Torah education, in defiance of their parents' wishes, Mr. Shapiro said. He pointed out that in Hirla, near Tel Aviv, the parents of 109 children had requested a State-sponsored Orthodox school [illegible]

London Puzzled, Concerned Over Formosa Issue

By GEORGE LICHTHEIM,
Jerusalem Post Correspondent

LONDON, Monday. — Official quarters here are puzzled and a little worried over the Far Eastern position. Neither Washington nor Peking is believed to want a showdown, but both are acting as though they are willing to run considerable risks.

This aftermath of Mr. Dulles' visit to Manila and Formosa coupled with his latest remarks in Washington has raised doubt about how far America will go in aiding Chiang to maintain his hold upon Formosa and the island outposts.

At the moment these doubts centre on the island of Quemoy and some other outposts streching along the China coast. Some 200,000 Chinese Communist troops are reported in readiness for an invasion, backed by 2,000 modern fighter planes which are apparently held in reserve. Bombing raids on their positions carried out by obsolescent Liberator planes from Formosa have added to the mystery by failing to draw any fighter opposition.

Should an invasion develop, Quemoy would probably prove untenable and Washington would then have to decide where to draw the line. There is an impression here that Mr. Dulles' trip to Formosa produced some disagreement with Chiang and his military advisers, and that Quemoy has been written off.

The island is described by one correspondent as "an elongated smear of rock and clay closely surrounded on three sides by unfriendly territory." Its fall would nonetheless constitute a prestige success for Peking, and might bring the U.S. closer to open intervention.

Presumably, Peking is trying to test the solidity of the defence pact just concluded at Manila. There is no obligation upon Britain and the other signatories to assist the U.S. in defending Formosa, but they would probably be expected to display some solidarity.

The public here and elsewhere has probably not yet appreciated that this leaves Washington free to test the effectiveness of tactical atomic bombing should the occasion arise. At the time of Dien Bien Phu this was vetoed by the British and eventually by the French who at first had encouraged the idea, but in the case of Formosa, no such obstacles are present and the decision is squarely up to President Eisenhower.

Security Transcends Borders—Eban

NEW YORK, Monday.—The Israel Ambassador, Mr. Abba Eban, said last night that the question of Israel's security was "far broader than the tactical problems of our long and sinuous frontier."

Addressing the National Leadership Conference for Israel Bonds, Mr. Eban said, "No-one who observes the developments in Iraq and Egypt can fail to experience a deep twinge of concern for the balance of power upon which the comparative security of our region has rested for several years.

"Should anything happen which would substantially overturn that precarious balance of power, then issues of such profundity as we have never known since 1948 would again arise in their fullest urgency and dimensions," Mr. Eban warned.

This was now the main problem of American-Israel relations, he added. It was not in order to undermine this friendship, but in order to restore it, that Israel had expressed her vigorous opposition to the unilateral rearmament of the Arab states and the establishment of security arrangements in the Middle East based on Israel's exclusion. (UP, INA)

BOND SALES IN CANADA

MONTREAL, Monday (INA). — The sale of Israel Bonds was renewed here at a rally under the auspices of B'nai Brith and addressed by Mrs. Eleanor Roosevelt.

NY 'Tribune' Says Israel Concern 'Logical'

NEW YORK, Monday (INA). — "The New York Herald Tribune," in an editorial on arms for the Middle East, declared today that Israel's concern over U.S. arms shipments to Iraq and Egypt is logical.

Both nations are still technically in a state of war against Israel and any change in the balance of power is bound to produce disturbing effects. U.S. supplies to Egypt will give it additional power.

Washington's position, the editorial pointed out, is also logical and understandable. It is that the Middle East needs bolstering against the possibility of a Soviet attack. The question is whether the strengthening of the Arab nations will produce desirable results. Whatever assurance the Arabs may give of peaceful intentions towards Israel, they have not been translated into any noticeable willingness to accept the new State's existence [illegible]

The editorial concluded that [illegible]

Britain May Propose Bonn, Rome Join Brussels Pact

Benelux Seen Favouring Scheme

LONDON, Monday (Reuter). — Foreign Secretary Anthony Eden is proposing an extension of the five-nation Brussels pact to include West Germany and Italy, according to usually well-informed sources here.

This proposal, intended as a preliminary to German membership of the Atlantic pact, has already been put to the West German, Belgian, Dutch and Luxembourg Foreign Ministers, and is to be put immediately to the Italian and French Ministers.

Questioned about the report today, the Foreign Office spokesman said that he had no comment to make, and officials here remained tight-lipped.

The idea behind the British proposal is to make use of an existing treaty framework in which Britain is already associated with France and the Benelux countries, to link Britain with plans for West German rearmament. It is fully recognised here that the existing text of the Brussels pact signed in 1948 would need amendment.

One avowed purpose of the existing treaty is to prevent a renewal of German aggression. This clause presumably would need to be dropped from the text should the five signatories invite West Germany to accede to a West European collective defence pact.

The Benelux Foreign Ministers consulted by Mr. Eden last Saturday are believed to favour the plan.

The possibility which Britain is now suggesting is that the European military grouping of the Brussels pact might serve as the framework for the Association of Britain with the forces of a rearmed Germany, for which France and other continental states have been strongly pressing.

The text of the Brussels treaty does not provide a means of imposing limits on West German armament, and this aspect of the question would remain for solution within the framework of the Atlantic pact.

But by restoring the largely lapsed military organization of the Western Union (Brussels pact) a means may be found whereby Britain could enter into an inner association with the armies of West Europe and the future West German defence contingent.

US to Defend All Vital Zones—Ike

DENVER, Monday (Reuter). — President Eisenhower told reporters today that the National Security Council — his top defence body — had reaffirmed the U.S. policy of defending "the vital interest of the United States wherever they may arise."

The Council had a three-hour special session at the president's. Secretary of the State Dulles reported to the meeting immediately after his return from the Manila conference and talks with General Chiang Kai-shek on Formosa and Japanese leaders in Tokyo.

In his informal statement, Mr. Eisenhower said, "No specific decisions were advanced for action."

He added that they had merely been consulting together as to the place of the U.S. in the world today in that particular area — the troubled Western Pacific—"and reaffirming our devotion to certain policies."

Mr. Dulles returned to Washington earlier in the day and said there that it was American policy to keep the Chinese Communists guessing as to whether the U.S. would defend Quemoy.

However, the Formosa and Quemoy Island crisis appeared less pressing today after Mr. Dulles said that he sensed no threat of an immediate Chinese invasion.

Furthermore, Mr. Dulles added, the American 7th Fleet could handle any "possible" effort to overrun the seat of the Nationalist Government from the mainland.

Nationalist Leaders Visit Quemoy

TAIPEH, Monday (Reuter). — The Nationalist Vice President, Chen Cheng, and Defence Minister David Ya Ta-wei flew from Formosa to the island of Quemoy today with the Commanders in Chief of the three services.

They inspected the island, 5 kms. off the Chinese mainland, which has been subjected to an artillery barrage for 11 days, and returned here later in the day.

The Nationalists said that their planes had hit concentrations of junks and troops at Amoy and other coastal points again today.

Ike's Message Seen As Welcome Surprise

BY JESSE ZEL LURIE

NEW YORK, Monday. — The tercentenary celebrations of American Jewry which began yesterday are receiving more attention in the Israel Press than here.

President Eisenhower's lengthy message to an Israel meeting was a welcome surprise, in view of his perfunctory letters to all Zionist conventions since his inauguration which rarely mentioned Israel.

The tercentenary celebrations here opened with a colourful religious ceremony rededicating New York's oldest synagogue and continuing today with an historical conference at Peekskill, neither of which will make much news.

The Israel Minister of Education, Professor Benzion Dinur, and the Consul-General, Mr. Avraham Harman, were honoured guests on the synagogue's dais.

The Shearith Israel congregation was organized by 23 Dutch Jews who landed here in 1654. Expelled from the Portuguese colony of Brazil, they had been stripped of their possessions by pirates, and reached safety only after being rescued by a French ship.

Secretary of State Dulles and the Israel Ambassador, Mr. Abba Eban, both returned to Washington today. Mr. Eban has asked for a meeting with Mr. Dulles at the earliest date to transmit the views of his Government. It is understood that he will ask for concrete manifestations of America's sympathetic understanding for Israel's security problems, which were shown by Mr. Dulles at their last meeting.

Israel would like arms to preserve the balance of power and to end her isolation, strengthening the tripartite guarantee of 1950 in a positive fashion. What Mr. Dulles will be able or willing to do in Washington's present climate is questionable.

Adenauer May Accept 'Equal' Limitations

BONN, Monday (Reuter). — The British Foreign Secretary, Mr. Anthony Eden, who flew to Rome today after a 24-hour visit here, had a thorough discussion with Chancellor Adenauer on the European situation and agreed that their joint aim is "European unity, in which Britain can play a full part."

Authoritative sources said that West Germany had declared herself ready to accept armament limitations within NATO on the same basis as other members. She asked for the same Western guarantees of her territory and the same help in achieving all-German unity as she would have received under the E.D.C. treaty.

Mr. Eden's visit was not to take decisions but rather to find out what Dr. Adenauer can and cannot do, and to compare this with the views of the other Ministers — above all the French Premier, M. Mendes-France.

Mr. Eden told reporters at the airport before leaving for Rome, "I am thoroughly encouraged by the progress of our work."

Dr. Adenauer said, "I believe I have done good work for the cause of peace and freedom."

(Mr. Eden arrived in Rome later today. His talks with Italian Ministers will begin tomorrow).

In Bonn today, Dr. Adenauer decided to postpone the statement on foreign policy tomorrow for which he had specially asked the Bundestag to be recalled. Coalition sources said that he took this decision in order not to prejudice the delicate negotiations which the West European Governments have before them on the future of European defence.

Vietnam Premier, General Each Strengthen Guard

SAIGON, Monday (Reuter). — Extra guards were reported to have been posted at key points in Saigon today as tension in the city mounted over a general's defiance of the Prime Minister.

As he entered the General Staff building today, officers and soldiers loudly cheered General Nguyen Van Hinh, Vietnam's Chief of Staff, who on Saturday defied an order by Prime Minister Ngo Dinh Diem to take a six-month "leave" and go on a mission to France.

Strong forces of troops and police faced each other outside the city's radio station. The troops were reported to have been sent by the general; the police by the Prime Minister.

Local reports of the dispute have been censored.

France has powerful forces commanded by General Paul Ely still in Vietnam.

First C-o-L Rise In Six Months

TEL AVIV, Monday. — A new cost-of-living agreement effective from September 15 is to be signed between the Histadrut and the Manufacturers' Association within a few days, increasing salaries from IL.4.900 to IL.7.500 or from IL.5.600 to IL.8.750 depending on whether the C.o.L. index has risen by six or seven points. The information on the exact figure is expected here within a day or two, and the signing of the agreement is a foregone conclusion, both sides report.

This will be the first C.o.L. increase paid in six months, as three months ago there was no three-point rise in the index, the minimum for an increase in wages.

This also will be the smallest increase ever paid over a period of six months since the C.o.L. agreement came into force.

AFTER MIDNIGHT

'Haaretz' reports this morning that the Attorney General, Mr. Haim Cohen, is about to be appointed to a senior diplomatic post.

87,000 Japanese Workers Strike Against US Bases

TOKYO, Monday (UP). — About 87,000 Japanese workers opened a two-day strike against U.S. military bases today, and angry pickets shattered windows in an Army bus carrying American schoolchildren.

Pickets shouldering huge red flags formed in front of all U.S. Army, Navy and Air Force bases throughout Japan to protest American retrenchment policies.

Except for the schoolbus incident, the strike was orderly. The bus was halted in front of the Tokyo ordnance depot by pickets, who struck two windows with clubs. None of the women and children in the bus were hurt.

Israel Chessmen Beat Bulgaria by 3-1

AMSTERDAM, Monday (UP).—Israel is tied with Czechoslovakia and Yugoslavia for second place in the final round of the Chess Olympics here, following a 3-1 victory over Bulgaria. Israel now has 3 points, half a point behind Russia.

In the game against Bulgaria, Messrs. Czerniak and Aloni beat Messrs. Neykirch and Milev respectively while the other two Israel players, Messrs. Porath and Kniager, drew with Messrs. Ninov and Svetkov.

Other team standings are: England 3½ points; Hungary and Argentina 1½ points, Holland, Bulgaria and West Germany 1 point, and Sweden ½ point.

DAYAN, B.G. SEARCH FOR NEGEV SETTLEMENT

BEERSHEBA, Monday. — The Chief of Staff, Rav-Aluf Moshe Dayan, Mr. David Ben Gurion, and technical experts of the Jewish Agency Settlement Department and of Tahal toured the Northern Negev today to examine areas for future settlement.

The tour was arranged by the Committee for Negev Settlement initiated by Mr. Ben Gurion at his recent meeting with Negev settlers.

A group of 67 immigrant families from Morocco arrived at their new homes at Shuval Daled and Shuval Heh today, direct from the ship which brought them to Haifa.

KNOCK-OUT!
by LINDOL

DEVELOPMENT AUTHORITY
TENDER No. [illegible]
SALE OF BUILDING PLOT IN TEL AVIV
1) Offered for sale hereby is Building Plot in Block No. [illegible], parcel 18, Rehov Yehuda Halevi, Tel Aviv.
2) The plot is 770 sq. metres in size and is apportioned for the erection of dwellings. On the ground floor commercial premises may be built.
3) The plot is at present occupied by residents. The sale will proceed taking account of existing conditions.
4) Tenders should be submitted in sealed envelopes bearing block and parcel numbers, and should be deposited in the tender box in the Office of the Development Authority for the Tel Aviv-Jaffa District, [illegible] (Room No. 6), Jaffa. Additional information may be obtained at the above address.
5) Tenders should be accompanied by a bank cheque amounting to 10% of the proposed buying price.
6) The final date for submission of tenders is October 4, 1954, 12 noon.
7) The Development Authority is not obliged to accept the highest tender or any tender whatsoever.
DIRECTOR OF THE DEVELOPMENT AUTHORITY

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Social & Personal

The Minister of Agriculture, Mr. Peretz Naphtali, gave a farewell luncheon yesterday to Dr. Albert G. Black of the U.N. Food and Agricultural Organization at the Eden Hotel in Jerusalem. Present were the Deputy Minister, Mr. Y. Efrati, and senior Ministry officials.

Mr. Pinhas Lavon, Minister of Defence, is spending his summer vacation at the Dagon Hotel in Migdal Ashkelon.

ARRIVALS: Mr. V. Eliachar, Israel Consul in Marseilles, for a one-week visit (by El Al). Mr. Leo Gerston, of the Joint Palestine Appeal, from London.

DEPARTURES: Rabbi Zalman Ben-Yakov, M.K., for the U.S. on a mission for Agudat Yisrael; Mr. Izhar Harari, M.K., to join the Israel delegation to the U.N. General Assembly in New York; Sgan-Aluf Haim Gaon, Military Attache in Ankara returning to his post after 10 days of home leave; Mr. Y. Kokia, Director General of the Ministry of Justice, for negotiations in Europe concerning extradition treaties; Mr. A.L. Pincus, Managing Director of El Al, to attend the price conference of the International Air Transport Association in Venice, and Dr. S. Yunichman of the Herut Party Central Committee, for a six-week visit to Europe on behalf of his party (by El Al); Mr. P. Sinclair-Thompson of Fertilisers & Chemicals Ltd., for Britain.

Mr. Peter Berdeshevsky, New York sugar engineer, has arrived on a short visit. A Zionist of long standing, he has been in consultation with our specialists in his field over many years, and has paid several visits to this country in connection with sugar-growing and refining projects.

Amram Rasiel, member of the staff of the Electrical Engineering Laboratory at the Technion, Israel Institute of Technology, has accepted an assistanceship at Yale University for one year. He left this week to take up his post.

Dr. Amnon Fried, Orthopaedic Surgeon, returned yesterday by El Al after attending the International Congress for Orthopaedy and Traumology in Berne and the International Poliomyelitis Conference in Rome.

Mr. S. Van Den Berg, whose paintings are now being exhibited at the Israel Touring Club, will speak on "The Exhibition in the Light of Trends in Modern Painting," at 8:30 p.m. tomorrow at the Club.

The Kfar Shmaryahu branch of Wizo will hold its annual garden party on Wednesday, September 22, at the Tadmor Hotel, Herzlia.

CONDOLENCES

His colleagues send to Segen T. Jonas their heartfelt condolences on the death of his father.

Where to go

JERUSALEM

★ **Exhibitions:**— "Photography in Israel," exhibit of new acquisitions to the Art Library. Exhibit of the month: Nishapur Bowl, earthenware, 9-10th centuries, National Museum Bezalel, 9-1, 3-6 p.m.

Paintings, Sculpture and Applied Art of Zahara, Louise, and Bezalel Schatz and gallery of Jerusalem Artists, Jerusalem Artists' House, 10-1, 4-7 p.m.

Paintings by Shlomo Vandenberg, Israel Touring Club, Talbieh, 11-1, 4-7 p.m.

"Conquest of the Desert" permanent exhibition at the former Israel pavilion of the International "Conquest of the Desert" exhibition, 10-1, 4-6 p.m.

Department of Antiquities. Special exhibition: Excavations of a Canaanite Temple on the seashore of Nahariya (XVIIIth-XVIth centuries B.C.E.), 25 Rehov Shlomo Hamelech. Open 9-1, to 1 p.m.

★ **Lecture:**— "Prof. J. Klausner's studies in Israel History," Dr. A. Globus, address by Professor Klausner, B'nai Brith Jerusalem Lodge, 8 p.m.

★ **Recorded Concert:**— Second in series, sponsored by the Municipality, 6-6.30 p.m. Mekor Baruch Playground, Hasurim cr. Bar Giora.

★ **Film Shows:**— Five Geva shorts, Israel Touring Club, Talbieh, 8.30 p.m. Keren Hayesod, for tourists and visitors, 11.30 a.m.

TEL AVIV

★ **Lectures:**— "Heredity and Environment in Cancer," Dr. S. Peller, of the U.S., under the auspices of the Israel Cancer Association, 8.30 p.m. Assuta Hospital Lecture Hall, Tel Aviv. All physicians invited.

"South American Jewry", Mr. Uri Kesari. Opening remarks by Mrs. [illegible] Templeton, of the U.S. Embassy; admission 250 pr. and 400 pr., ZOA House, 8.30 p.m.

★ **Artistic Programme:**— Programme by "Ozel Ya'akov" group, sponsored by El Al, ZOA House, 8.30 p.m.

★ **Entertainment:**— After-the-show at "Leviathan," Oriental Restaurant, 2 Allenby Rd., open till 2 a.m.

★ **Theatre:**— "Pygmalion," Chamber Theatre, Mograbi Hall, 8.30 p.m. Habimah, "The Crucible," Habimah Theatre, 8.30 p.m.

[illegible]

★ **Concerts:**— [illegible] Kathleen Ferrier, contralto; Mahler: Lied von der Erde, Ferrier contralto, Patzak tenor, Bruno Walter, Vienna Philh. Orchestra. L.P. Records — [illegible] Garden, [illegible] 9 p.m.

NAHALAL

★ **Theatre:**— [illegible] "Tiva, The Guardian," [illegible] Hall, 8.30 p.m.

GEDERA

★ **Theatre:**— "Casablan," Chamber Theatre.

[illegible]

★ **Theatre:**— Habimah, "The Golem," 8.30 p.m.

Swing Away From Adenauer in Election

KIEL, North Germany, Monday (Reuter).—The Social Democratic Party tied with the Christian Democrats in the election to the new Schleswig-Holstein Landtag (state parliament) yesterday after making heavy gains at their expense in a contest fought mainly on foreign policy issues.

The Social Democrats topped the polls with 33.2 per cent but tied with the party of the Federal Chancellor, Dr. Konrad Adenauer, in securing 25 seats in the Landtag. The Christian Democratic share of over one million votes cast slumped to 32.2 per cent compared to the 47.1 per cent the Chancellor won in the State at the Federal election last year.

"The result leaves the State's future government in little doubt as the Christian Democrats are believed certain to continue in office in coalition with the Refugee Party and the Free Democrats who received 10 and five seats respectively.

But one possible consequence of yesterday's vote is the removal from the Premiership he has held since 1950 of Christian Democrat Wilhelm Luebke whose rule as a Catholic over a Protestant state and an anticlericalist coalition has been a source of embarrassment to some of his Party colleagues.

No Socialist Coalition

A Socialist-controlled coalition is highly unlikely as this would greatly embrass the Refugees and the Free Democrats, both coalition partners of Dr. Adenauer in the Federal Government.

The reduced support for the Chancellor's party is attributed by observers to the recent shortcomings in his domestic and foreign policy. These, centring on the collapse of the European Army plan, were made major campaign issue by both the Social Democrats and by Dr. Adenauer.

E. Germans to Build Nile Power Line

BERLIN, Monday, (Reuter). — East German firms are to build a 200 kilometre high tension line in the Nile Delta under an Egyptian Government order placed with East German firms at the Leipzig Fair, yesterday. The East German news Agency A.D.N. said the order was worth about 10m. roubles.

JAPAN FLOODED BY TYPHOON

TOKYO, Monday (UP). — Typhoon "June," packing a force equal to scores of H-bombs, smashed into Japan's southernmost main island today, flooding entire towns and killing at least nine persons in its first four hours over land.

Its winds dropped to no more than 90 miles per hour as the mammoth, 550-mile-wide Pacific hurricane slammed into Kyushu island's high mountains.

Torrential rains isolated towns, started floods and landslides and raised the prospect of a heavy death toll. A phenomenal 20 to 27 inch rainfall was reported from mountain villages in southern Kyushu, where the downpour began on Sunday. Main cities had five inches or more of rain in 24 hours.

Shipping all along the Japanese Pacific and Japan Sea coasts stopped as vessels sought safety. Air line routes were diverted around the storm or schedules were cancelled.

'EDNA' KILLS 18, AND THEN DIES

HALIFAX, Nova Scotia, Monday (Reuter). — Hurricane "Edna" has blown itself out in the Gulf of St. Lawrence after causing the death of 18 people in the United States and one in Canada. Damage running into millions of dollars was reported.

More than two-thirds of Nova Scotia's bumper apple crop valued at over $4m. was ruined. The fallen, bruised apples will be made into cider and other by-products.

Eight of the 18 deaths in the United States were reported in Maine, lashed by the hurricane before it raced into Canada. All had drowned in swollen rivers and streams.

Weathermen to Probe Nuclear Blast Effects

GENEVA, Monday (UP).—The dubious weathermen of the world have bowed to long public clamour and agreed to investigate the effect of nuclear explosions on the weather — if any.

Delegates to the convention of the World Meteorological Organization passed a resolution "to instruct the Secretary-General, Dr. Gustav Swoboda, with our assistance, to gather all available information on the effect of atomic explosions on the weather, and to prepare and publish a technical report on the subject at an early date."

MIGHTY MO. — The U.S. battleship, Missouri, on which the Japanese surrender was signed has left on her last journey for Bremorton, Wash., for decommissioning.

Only State-Written Sermons Now Valid in Egyptian Mosques

CAIRO, Monday (Reuter). — The Egyptian Government has decided to take over the writing of all sermons to be delivered in mosques throughout the country.

A government order which comes into effect today lays down that sermons during the Moslem Friday prayer meetings will be "written in a concise manner" by authorities of the Ministry of Wakfs (religious affairs) and will avoid disputed religious, social and political questions.

The new order follows recent disturbances in mosques arising from sermons attacking Prime Minister Gamal Abdel Nasser's regime.

Some of these sermons have been delivered by preachers belonging to the Moslem Brotherhood which, through its Supreme Guide, Dr. Hassan el-Hodeiby, has declared its hostility towards the government and swore to "sabotage" the Anglo-Egyptian canal zone agreement.

The order says that preachers who deviate from government sermons will be severely punished.

Last Friday, during a prayer meeting at Tanta in Lower Egypt, a fight broke out when a preacher denounced members of the present government as "heretics who don't comply with the teachings of the Koran."

Some members of the congregation, allegedly Moslem Brethren, drew knives and attacked one of the congregation who defended the regime.

Fists, stones and clubs were also used in another incident on Friday in a mosque near Cairo when another "seditious speech" was delivered.

Reports reaching here from Damascus today said Moslem Brotherhood members there distributed leaflets attacking Colonel Nasser's government over the weekend.

Brownell, Hoover Plan To 'Destroy' Communist Party

DENVER, Monday (UP). — Attorney-General Herbert Brownell, Jr., and FBI Director J. Edgar Hoover yesterday reported to President Eisenhower on what they described as plans "to utterly destroy the Communist Party" in the United States.

Mr. Hoover, in one of his rare press conference appearances, said at the summer White House offices after talking with the President:

1) that a number of domestic Communists have taken advantage of the new immunity bill and started informing to the FBI on operations of the party.

2) that Communist Party membership, at 25,000 members, is the lowest it has been in years, but that this is "a hard core" and there are about 10 times as many "fellow-travelers" as members.

"Substantial Step-Up"

Mr. Brownell said that as a result of the anti-Communist bills passed in the recent Congress and yesterday's extraordinary session with the President, there would be "a substantial step-up" in the U.S. government's drive against domestic Communists.

Part of the crackdown is an investigation of Communist-dominated unions now in progress. The Justice Department is moving under the new law which makes it possible to strip the rights of collective bargaining and access to the national labour relations board from unions dominated by subversives.

Messrs. Hoover and Brownell made a public appeal in separate statements to Communists to take advantage of the immunity bill and inform on their party. Mr. Hoover said the FBI already had received "a number of approaches along that line... from Communists." He said he had interviewed some of the Communist informants himself.

MARCIANO STRONG FAVOURITE

NEW YORK, Monday (Reuter). — Rocky Marciano, the world heavyweight champion, is an 18 to 5 favourite to beat fellow American Ezzard Charles in their return title bout here on Wednesday.

Thirty-year-old Marciano outpointed Charles last June. If Charles who is three years older than the Rock, wins, he will be the first former heavyweight champion to regain the title.

JUIN BACK IN POWER

PARIS, Monday (UP). — Marshal Alphonse Juin, Allied Commander in Central Europe, has climbed back into favour and has reassumed the important function as military adviser to the Government. He attended Saturday's meeting of the National Defence Council.

TAFT FELLOWSHIP AT WEIZMANN INSTITUTE

TEL AVIV, Monday. — To commemorate the first anniversary of the death of Senator Robert A. Taft, the distinguished U.S. political leader, Brigadier-General Julius Klein, of Chicago, has established a Robert A. Taft Memorial Fellowship at the Weizmann Institute.

Airlines Hit Hard By 'Economic Shock Waves'

PARIS, Monday (Reuter). — World airlines are experiencing an "economic shock wave" with a deteriorating financial position in spite of increasing business, Sir William P. Hildred, Director-General of the International Air Transport Association (I.A.T.A.) said here today.

Addressing the opening session of I.A.T.A.'s annual general meeting, Sir William said the margin between airline costs and revenues had steadily narrowed until in many cases it was non-existent.

He said, "One can foresee no miracles, technical or otherwise, in the near future, which can be expected to change this balance."

Urging greater exploitation of cargo traffic and the possible development of helicopter services, he said the industry's main hope of coming through an economic crisis lay in further streamlining of their own commercial and administrative system and a "little self-restraint" by governments, particularly in taxation.

'Cyprus is Turkish' Signs Greet Bayar

ISTANBUL, Monday (Reuter). — President Celal Bayar arrived in Istanbul from his state visit to Yugoslavia today to find the city's shops decked with posters saying, "Cyprus is Turkish."

The posters showed a map of Cyprus within the Turkish flag. They were distributed by the Turkish students' federation.

Europe Champs Lead In All-Soviet Meet

MOSCOW, Monday (Reuter). — Individual and team athletics championships of the Soviet Union began yesterday in Kiev, said Tass, the Soviet news agency. More than 1,200 of the leading athletes throughout the Soviet are taking part.

Vladimir Kuts, who set a new world record when winning the 5,000 metres at the European Championships recently, established a new All-Soviet record for the 10,000 metres when he won in 29 mins. 31.4 secs. The world record is 28 mins. 54.2 secs, held by Emil Zatopek, of Czechoslovakia.

Nina Ponomareva, winner of the European title, won the women's discus throwing while the women's long jump went to Alexandra Chudina, who was second in the European Championship to Britain's Jean Desforges. The men's javelin was won by Vladimir Kuznetsov, runner-up for the European honours. The championships continue today.

Duke Races Home Over 180 K.H.P.

MONZA, Monday (UP). — England's Geoff Duke rode unchallenged and completed the race in 1 hour, 7 minutes 23.9 seconds at an average speed of 179.474 kilometres per hour to set a new record and win the 201.600 km. race for 500 c.c. class motorcycles here yesterday.

The previous race record belonged to Duke himself, set last year, at an average speed of 172.046 kph.

French Pair Win Tour De France

NICE, Monday (UP). — The French team of Pollet and Gauthier, driving a Gordini won the fourth annual Tour de France auto rally yesterday.

The French pair on their 2,473 Gordini won the general classification in the 6,041 km "riud which started Sept. 3.

Class placings: Group "A" Blue Ribbon: (Special series tourism cars)— won by Martignoni and Rabezzana (Italy) on a 1.884 Alfa Romeo. Group "B" White Ribbon: (Mass production sports cars)— won by Estager and Proto (France) on a 1.984 Maserati after a hair-raising speed test won by Stasse-Gendebien in an Alfa Romeo 1.975. They placed second. Group "C" Red Ribbon: (sports cars) — won by Storez-Linge (France-Germany) on a Porsche 555. Women's Cup: won by Miles. Thirion Polenski (France-Germany) on a Porsche.

AT THE CINEMA

ABOUT "Androcles and the Lion" (Or-Gil, J'lem) G.B.S. himself said:

"In this play I have represented one of the Roman persecutions of the early Christians, not as a conflict of a false theology with a true, but as what all such persecutions essentially are: an attempt to suppress a propaganda that seemed to threaten the interests involved in the established law and order, organized and maintained in the name of religion and justice by politicians who are pure opportunist Have-and-Holders."

This priceless "farce" is perhaps the most endearing of Shaw's plays, because G.B.S., the most enlightened brain of this century, knew about the importance of not being too earnest and realised that nothing is as "serious" as a wit. Here we have not only inimitably sparkling dialogue but finely chiselled characters, like Caesar, (Maurice Evans).

Gabriel Pascal is the producer, as in many other Shaw screenizations. The first-rate score rather Offenbachian at first, is by Frederic Hollander. Alan Young is the burlesque Androcles; Victor Mature the magnificent Roman and Jean Simmons the lovely Lavinia. You may also enjoy Victor Mature and Jean Simmons, by the way, in the charming Broadway comedy: "Affair With a Stranger" (fourth week at the Tel-Or).

Strange Blend

"STALAG 17" (Zion, J'lem) is a strange blend of drama and unexpected comedy of a rude sort, though one could scarcely say which is more depressing, the semi-documentary or the grim humour. Unbelievable as some of the events may appear, they resemble the experiences of a Tel Avivian acquaintance of ours who was an Israel P.O.W. in a Silesian "Stalag." *FRANGO*

Tear-Jerker

IN "All I Desire" (Peer, Haifa), Barbara Stanwyck, the small-town lady with theatrical ambitions and tarnished reputation, has walked out on her husband (Richard Carlson), two daughters and a son, to seek theatrical fame. A failure, she returns home — just for a day — to witness her daughter's stardom in a school play. Of course she stays but not until her old flame has thrown himself in her path and a stray bullet has redeemed her name. An old-fashioned tear jerker: but Barbara Stanwyck can play up when she has to deliver a speech straight from the shoulder, this time telling her daughter a thing or two, or when she dances with a verve that puts the younger ones to shame. *H.*

JERUSALEM CINEMAS

3.30, 6.30 and 8.30

ARNON: Paula. 3.30 Love Happy.
EDEN: The Story of Three Loves. (2nd week).
EDISON: Adventure in Rio.
ORGIL: Androcles and the Lion.
ORION: The Man Who Watched The Trains Go By.
ORNA: The Adventures of Tom Sawyer.
STUDIO: Fountainhead (2nd week)
TEL OR: Affair With A Stranger. (4th week). 3.30: Sealed Cargo.
ZION: Stalag 17. 3.30, 6.30 & 8.45.

'Two Little Men Landed in Flying Saucer Outside of My House'

WAFFUBLE, Northern France, Monday (Reuter). — Police are investigating a story told by a 34-year-old steel worker here that a "flying saucer" carrying two little men landed at the bottom of his garden.

Police said they had found burn marks on stones where the "saucer" is said to have landed, but little else. This is the story the man, M. Marius Dewilde, told them:

"I was reading in my kitchen on Friday night when my dog Kiki began to bark outside. I saw a black mass of something on the railway line at the bottom of the garden.

"I levelled my torch and saw two small beings with wide shoulders. Their heads were encased in enormous helmets and both were wearing overalls. I saw their legs, proportionate to their bodies, but no arms.

"I tried to head them off, but at that moment a brilliant green light shot out from an object on the railway lines and dazzled me. I seemed to be paralysed. Then the black object rose into the air with black smoke hissing out from somewhere.

"It looked like a circular cake cover about three metres high and from five to seven metres in diametre. It gave a sort of red glare and then disappeared."

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Yesterday's Press:

US Pledge on Israel Security 'Empty'

The news about American willingness to supply arms to Israel may have created a false impression, says "Davar" (Histadrut) in its editorial. A State Department spokesman has already corrected it adding that the U.S. is "eagerly awaiting the day when the Israeli army will join the Arab armies in their stand against the danger of Communist aggression." "Davar" says that this statement includes interesting news, such as for instance the "fact" that the Arab armies are willing to stand against Communist aggression.

Nor did the spokesman specify whether Israel would join the Arab armies prior to the second round or only thereafter. The paper notes that it is now reported that the State Department wants to give the Arab armies arms to be able "to defend themselves against Israel," and that American arms supplies to Israel would affect traditional American-Arab friendship. Not the danger of Communist aggression but the wish of the Arab governments is the decisive factor and no smoke screen should be allowed to hide this. The American declaration makes it clear that U.S. promises that Israel's vital interests will not be disregarded are utterly empty.

There is no way to safeguard peace in the Middle East but a reversal of American policy of supplying arms to the Arab countries.

"Ha'aretz" (Independent) rejoices with American Jewry on its tercentenary. "Herut" also extends its congratulations to American Jewry, reporting elsewhere, on the authority of Mr. Begin that we are on the eve of "historic events."

The rest of the Press deals with a variety of subjects: "Kol Ha'am" (Communist) reports the return of the Communist women's delegation to the Soviet Union, which was accompanied by one non-Communist member, Mrs. Lea Goldberg, the poet, while "Al Hamishmar" (Mapam) protests against the military authorities which prevented a Mapam meeting in the Arab village of Kfar Yassif that was to have been addressed by Messrs. Y. Riftin and R. Bustuni.

Both "Haboker" (General Zionist) and "Herut" protest against the Tel Aviv municipality strike, which, they say, is merely an attempt to undermine the city's government. "Hatzofe" (World Mizrahi Union) demands an improvement in conditions on immigrant ships, and "Zmanim" (Progressive) in medical service in the border settlements and in the Negev.

Jewish Contributions To US Lauded

NEW YORK, Monday (UP).—It is hard to see how the U.S. could have become all that it is today without the aid of "Jewish genius, energy, and patriotism," the New York "Daily News" said today, editorially taking note of the Jewish tercentenary.

Remarking that it was just 300 years ago that the first 23 Jews arrived on the North American continent, the paper said, "Distinguished Jewish names dot our colonial and national history... we sincerely wish the Jewish tercentenary the best."

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LAW REPORT

THE JERUSALEM POST
September 14, 1954

In the Supreme Court Sitting as Court of Civil Appeal.
Before: Justices Cheshin (Deputy President), Silberg, Landau.
Moshe Goldenberg, Appellant v. Bank Polska Cassa Ofiki, Respondent. (C.A. 195/53)

EVICTION ORDER OVERRULED

The Supreme Court allowed an appeal against a judgment of the Tel Aviv District Court, composed of Judges Sussman, B. Cohen and Harpazi, which was delivered on October 25, 1951 (C.A. 99/53).

The appellant, Mr. Moshe Goldenberg, rented a flat of five rooms and an enclosed balcony in Allenby Road, Tel Aviv, for dwelling purposes and for use as office premises. Since 1946 he had been a statutory tenant of the flat.

In 1948, the landlords, the Bank Polska Cassa Ofiki, on learning that Mr. Goldenberg had sub-let four of the rooms, the balcony and the kitchen to six sub-tenants, applied to the Tel Aviv Magistrate's Court for an eviction order against their tenant, claiming amongst other things, that he was making an excessive profit out of dwelling-premises and that, alternatively, he had infringed the terms of the lease which allowed him to sub-let part of the premises to no more than three persons.

The Magistrate held that the flat must be regarded as business premises and not as dwelling premises and that, consequently, no claim could be based on the plea of excessive profits since the Rent Restrictions (Business Premises) Ordinance contained no such provision. He dismissed the Bank's second contention, too, on the grounds that, according to the evidence and according to the behaviour of both parties, the landlords had waived the clause limiting the number of sub-tenants to three.

Appeal to District Court

The Bank appealed against the decision of the Magistrate's Court to the Tel Aviv District Court, which, in a majority judgment delivered by Judge Sussman, Judge Cohen concurring, allowed the appeal.

Judge Sussman agreed with the lower court that the premises should be regarded as business premises, but disagreed that the Bank was estopped by its behaviour from pleading that Mr. Goldenberg had infringed the terms of the lease by sub-letting part of the premises to more than three persons. He concluded, therefore that since Section 4 (1) b of the Rent Restrictions (Business Premises) Ordinance allowed for a statutory tenant to be evicted if he infringed any of the terms of the lease, that the tenant should be evicted from the premises.

Supreme Court Judgment

Mr. Goldenberg, who was represented by Mr. Spaer, appealed against the eviction order to the Supreme Court, which held that in the light of the evidence before the Magistrate the latter had been justified in concluding that the respondents had agreed to the appellant's sub-letting part of the premises to more than three persons and that the District Court had been at fault in overruling this decision.

The Court held further that there was no reason for it to interfere with the decisions of both the courts of lower instance to dismiss all the other causes of action which the respondents had sought to offer as alternatives.

The appeal was therefore allowed, the Court granting the appellant costs to the amount of IL.5 only, in view of the circumstances of the case.

Judgment given on July 29, 1954.

For the Appellant: Mr. A. Spaer.

For the Respondent: Mr. Z. Ginzburg.

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JERUSALEM: Givant, Keren Kayemet, 2252. Amudim, Jaffa Rd., 3351. **TEL AVIV:** Magen David, 35 Allenby, 65426. Silvar, 27 Brandeis, 26049. Fraenkel, 38 King George, 3721. Ben Yehuda, 142 Ben Yehuda, 23535. Ziva, Hatikva Qtr. **JAFFA:** Noga, near Noga Cinema, 81596. **RAMAT GAN:** Herzl, 53 Herzl. **GIVATAYIM:** Hadassah, Katznelson cor. Modi'in. **HAIFA:** Natan, 31 Joseph, 2964. Maor, 17 Haganim, 4733. **KIRYAT MOTZKIN:** Pentagon.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. A. Weiss, 19 Ussishkin, 2581. Dr. S. Shakrashi, 5 Beit El. **TEL AVIV:** Dr. M. Shaham, 1 Syrkin, 25842. Dr. N.L. Sacher, 165 Dizengoff, 26262. Dr. I. Griffel, 5 Ben Yehuda, 23456. **JAFFA:** Dr. Alcalai, 65 Rehov 4. **HAIFA:** Dr. H. Sherman, 2 Hanevim, 3434. Dr. Rosenbaum, 31 Moriah, 3216. Dr. Landau, 4 Mahanayim, 6521.

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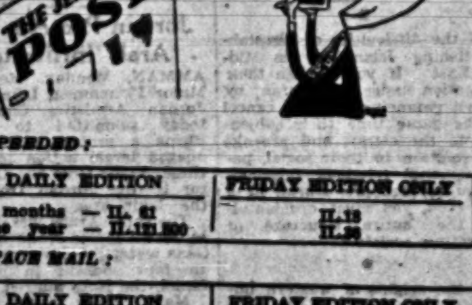

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FIRST PROGRAMME

News: Hebrew: 7 a.m. 1.30, 6.00, 8.15, 9.30 & 11.00 p.m. Arabic Programme (including News): 7 a.m. 1.15 and 6.30 p.m.

[illegible] Exercise. [illegible] Musical Clock (R). 7.15 Melodies (R). [illegible] Close Down.

12.00 N. [illegible] Corner. 12.30 Light Music (R). 1.00 Break for [illegible] (R). 2.00 Close Down.

4.00 p.m. Popular Love Songs. 5.00 Interlude (R). 5.05 Agricultural Programme. 5.25 Language Corner. 5.30 Children's Hour. [illegible] Programme. 7.30 Sports. 7.45 Songs of the People (Galei Zahal Programme). 8.35 Bible Reading. 8.45 Newsreel. 9.00 Kol Yisrael Orchestra, Conductor: Karel Salomon. Soloist: [illegible]. A comedy Overture (Lavry); "Elegy" for Strings [illegible]; Piano Concerto (Schumann); Symphony No.1 (Mendelssohn). 10.30 Requests (R). 11.05 Close Down.

SECOND PROGRAMME

English News: 1.45 p.m., 10.15 p.m. French News: 3.00 p.m.

IMMIGRANTS' HOUR ([illegible] & 480 M.): French: 6.30 p.m. Ladino: 7.00 p.m. Yiddish: 7.45 p.m.

KOL ZION LAGOLA ([illegible] M.): 11.15 p.m. News. 11.25 "This Also Happened." 11.30 On Behalf of Israel. 11.45 Israel's Songs.

ARMY PROGRAMME ([illegible] M.): 6.30 Opening. [illegible] "Bow and Arrow." 7.30 "Corps to Corps." 7.45 Songs of the People. 8.30 News. 8.45 Sketch. 9.15 Dance Music. 10.00 Close Down.

B.B.C. HEBREW BROADCASTS ([illegible] M.): 7.30-8.00 p.m. News. "This England." Arts Chronicle.

VOICE OF AMERICA Hebrew Broadcasts: ([illegible] M.): [illegible] p.m. Repeated at [illegible] p.m. on [illegible] M.

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Today's Post Bag

THE WEATHER

	°A	B	C	D
Mt. Cana'an	52	17	28	28
Tiberias	33	23	35	35
Haifa Port	61	22	30	30
Natanya	61	21	31	33
Tel Aviv Kirya	—	—	—	31
Tel Aviv Port	70	21	29	28
Lydda Airport	55	19	31	31
Jerusalem	48	19	28	28
Beersheba	40	17	32	32
Eilat	16	24	38	38

°A) Humidity at 4 p.m. B) Minimum temp. C) Maxim. yesterday D) Maximum temp. expected today

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A PAMPHLET entitled "National Insurance for the Housewife," has been issued by the Information Department of the National Insurance Institute. Complete with examples of typical payments, it discusses National Insurance problems peculiar to the housewife.

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THE HIGH COURT of Justice yesterday issued an order nisi, requiring the Mayor of Natanya to show cause why a permit should be issued to a sausage shop only on condition that the shop will not sell pork products.

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JEWELS valued at thousands of pounds are to be flown to Rome by LAI on Wednesday for a tourist who left for the Italian capital on Sunday, forgetfully leaving them in the Sharon Hotel.

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SIXTY-SIX new Moroccan immigrants arrived by El Al yesterday and were sent direct to Moshav Ranen in the northern Negev.

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THE "POLIO" Committee for victims of poliomyelitis has agreed to merge with the Ilanshil Society for the Rehabilitation of Polio Victims, after resolution of differences of opinion between the groups over the type of work to be carried out.

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3,100 TONS of sugar from Cuba are due in Haifa this week in the s.s. Monte Anboto.

• • •

A SEVERE BRAIN concussion was sustained yesterday by Mr. Nisim Kabuli, 30, who fell off a two-and-a-half metre truck which he was unloading at Tel Aviv Port.

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THE UNIDENTIFIED body of a 25-year-old man who drowned in the sea off Tel Aviv on Sunday morning was washed up on the shore yesterday.

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TELEGRAMS will now be delivered to Eilat residents twice a day, following a decision by the Eilat Council. Delivery costs will be paid by the Municipality, an expense which elsewhere is borne by the Post Office.

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TWO ARAB residents of the "Little Triangle" who left their area without a permit, were apprehended in Jaffa yesterday. One was in possession of a loaded pistol, for which he held a licence valid only in his place of residence.

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ALLEGED TO HAVE MILLED six tons of wheat without a permit, the Tel Aviv flour mill, Hevrat Hakemah, Ltd., is being investigated by the Economic Police, the Ministry of Commerce and Industry announced yesterday.

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DISTRICT AND MAGISTRATES Courts have been asked by the Courts' Administration to supply two copies of every prison sentence to the Prison Administration to which the defendant is sent. This will enable the Prison Administration to deal individually with every convict.

Mother of Five Fined For Petty Thefts

TEL AVIV, Monday. — A woman from Kfar Salame here pleaded guilty today to the theft of a bottle of wine and sweets, but only after the Magistrate, at her request, had ordered her five children and her husband out of court. This was her eighth trial for similar offences.

The judge imposed a IL.30 fine. The woman, in her last months of pregnancy, said that she was sorry and explained that her husband was unemployed.

A Magistrate imposed a one-day sentence today on David Butubul, 20, of no fixed address, who lied to the police that he had stolen IL.3 in order to obtain shelter and food in prison. He was relased immediately, as he had been held in detention before the trial.

Two New Plays For Chamber Theatre

TEL AVIV, Monday. — This season, the Chamber Theatre, now in its tenth year, is to present two original plays, "The Palace Owner" by Lea Goldberg and "The King of Flesh and Blood," by Moshe Shamir, adapted by him from his novel.

Among the other plays which will be presented in the autumn simultaneously in the Theatre's two halls (the Mograbi Hall and the Hapoel Hall in Rehov Nahmani) are Shakespeare's "As You Like It" and "Richard the Third," as well as Chekhovs "Three Sisters," O'Neill's "The Hairy Ape" and the French comedy "The Italian Straw Hat," it was announced at a Press conference here today.

Squatters Agree To Temporary Quarters

TEL AVIV, Monday. — Two families of immigrants from India who have been squatting outside the Jewish Agency offices here for the past few days, consented today to move to a new immigrants' home near Petah Tikva and to remain there until their case is solved.

They came from Tel Yeroham, claiming that conditions there were too difficult for them.

Kfar Ruppin Awarded Cup For Raising Prize Herd

Jerusalem Post Bureau

HAIFA, Monday.—Kfar Ruppin, pioneer of cattle-raising, was awarded first prize this morning for having the most beautiful, healthiest and heaviest herd in the country. The prize, a silver cup awarded annually to the winner of the contest, and a cattle scale, contributed by the U.S. Operations Mission, was presented at the local Ministry of Agriculture offices, with ranchers looking on.

The Kfar Ruppin (Beisan Valley) ranchers began their work in 1949, investing much money and labour until they had raised a herd of 360 head. The abundance of natural pasture in the neighbourhood of the settlement inspired the experiment.

Another first prize went to two Bet Lehem (Galilee) farmers, Yosef Friedman and Yehuda Weiner. Their prize is a Hereford calf. Ma'aba (on the Lebanese border) which raises a beef cattle herd jointly with Mr. William van Leer, of Haifa, won second prize. Hassolelim (which observes its fifth anniversary next week) came next, and Ma'agan Michael and the Ga'aton District Council were awarded certificates of merit.

"Our motto is: 'Beef cattle from cheap fodder that is unsuited for other purposes,'" Mr. M. Pfeffer, Ministry of Agriculture expert explained at the prize-giving. Herds now totalled 5,000 head, he said, pointing out that it takes two years to raise a calf to the minimum slaughtering weight of 400 kilograms. Cattle raising for beef production on a national scale is now in its third year, and the herds are growing fast since seeded and natural pastures have solved the fodder problem.

Gov't to Take Back T.A. Council Hall

Jerusalem Post Bureau

TEL AVIV, Monday. — The Tel Aviv Municipality has been requested by the Government to vacate its Council Hall Building and the adjoining Education Department offices. Both buildings are Government property.

The Council Hall is situated in the former Kessem Cinema, where the first Knesset met in 1949, while the Education Department is situated in the old San Remo Hotel next door.

Dr. Ben Zion Kaduri, Head of the Municipal Property Department, said that the Government is within its legal rights to take over these buildings despite the fact that they had been requisitioned by the Municipality, since an agreement to this effect was made when the Government paid compensation to the original owners.

Municipal circles expressed regret however at the Government's intention to turn the beautiful, air-conditioned Council Hall into income tax offices.

Arrangements are now being made to transfer the Council meetings to the meeting hall of the City's Engineering Department in Sderot Keren Kayemet.

Unemployment Rises Slightly in Week

The daily average number of unemployed in the week ending September 3 was 11,200, marking an increase of 150 over the previous week, the Ministry of Labour announces. Of this total, 8,080 were unskilled workers and 2,075 were women.

The centres of unemployment were Jerusalem, 936; Tel Aviv, 1,005; Haifa, 1,385; Ramat Gan, 810; Rishon LeZion, 490; Petah Tikva, 576; Hadera, 410 and Ramle, 480.

Unemployment is expected to lessen with the oncoming peanut harvest.

QUAKER WORK CAMP AT SHAFIR CLOSES

MIGDAL ASHKELON, Monday. —The international work camp organized by the Society of Friends at Shafir near here wound up at a special celebration last night, after six weeks of work. Most of the 30 persons attending the camp were Israel students, but other nations were also represented.

Israel Tourist Offices For Rome, London

Jerusalem Post Reporter

Two new Israel National Tourist Offices are to be opened shortly in Rome and London, the Ministry of Commerce and Industry announced yesterday. Offices now operate in Paris and New York.

Dr. L. Tedeschi, who is to head the Rome Bureau, has been touring Israel, and is leaving to take up his post at the end of the week.

Mr. Y. Zuriel, the Director of the Tourism Promotion Department of the Government Tourist Centre, will leave shortly for London to open the Tourist Office there.

The Director of the New York Office, Mr. J. Ilan, left last Friday after a short visit, to confer with his colleagues in the Tourist Centre. Mr. Ilan reported that tourism from the U.S. has shown a consistent increase.

In 1951, 9,833 American tourists had visited Israel; in 1952, 11,470; and in 1953, 12,089. During the first five months of 1954, 5,823 American visitors had arrived, compared with 4,802 in the corresponding period of 1953.

Improvements at a number of historical and archaeological sites are being carried out according to a programme prepared by a special committee on the initiative of the Government Tourist Centre and the Department of Antiquities.

A Ministry of Commerce and Industry spokesman announced yesterday that IL.300,000 have been allocated for this work, with the participation of the Ministries of Finance, Labour, Commerce and Industry, and the Ministry for Religious Affairs.

The programme includes repairs and improvements of antiquities in Acre, Mount Zion, Beth Alpha, Caesarea, Tiberias, Meron, Safad, Beth Shearim, Beisan and other sites. At a number of places, in addition to sign-posting and landscape gardening, feeder roads, comfort stations, lighting and other amenities are to be supplied.

It was learned yesterday that the Tourist Centre has requested the Ministry of Communications to set aside a special budget for vehicles for those transport companies which deal directly with tourists.

Brothers Want Bus Franchise

Jerusalem Post Bureau

HAIFA, Monday.—A dozen old buses, in a ready-to-drive-away condition, two others needing overhaul and a bus chassis which needs only a body to make it road fit, are standing idle at 119 Jaffa Road here, because succeeding Communications Ministers have failed to reissue their pre-State road licences and franchises.

They have been idle since June, 1948, when the small local bus companies amalgamated into the Shahar cooperative, later uniting with Eshed.

Since then, only five of the buses have taken the road, loaned by the owners to the Defence Forces.

The 15 buses, kicking their wheels while Haifa residents are jammed into overcrowded Eshed buses, belong to Victor and Fred Khayat, veteran Haifa residents of "Arab blood and U.S. nationality." The brothers have been running buses since the 1930, in order to popularise their extensive properties in the western suburbs, including Khayat Beach.

By the end of the Mandate, they had four licensed routes to western Haifa and through the lower town and Hadar areas.

At the end of June, 1948, the service was paralysed for lack of Lower Town passengers. In September, 1948, they loaned five buses to the Army, reportedly on condition that it would not prejudice their route licenses for lack of buses. In December 1948, they say, they applied for petrol and the relicensing of their buses then in running order, and a long series of negotiations began. The late David Remez reportedly informed them, as Minister of Communications, that the Government discouraged small firms and favoured large bus cooperatives, as "these would not strike," and ensured their members permanent employment. He advised them to amalgamate with Shahar, but after 10 meetings, the negotiations broke down, as Shahar would grant only two shares and then on condition that the brothers would become active members. On the other hand, the brothers say that they refused a Shahar suggestion to sell out.

Mr. Remez's successor, the late David Zvi Pinkas, reopened negotiations, and promised a settlement, but he died before this could be completed.

Last December, the brothers reopened negotiations with Mr Y. Saphir, the present Minister of Communications, and proposed four possible settlements:

1. Return of the exclusive licence of their four routes.
2. Permission to compete with Shahar on their own former routes, plus an equal amount of Shahar routes.
3. Creation of a joint Shahar-Khayat company with an equal number of buses and routes contributed by both.
4. Permitting Khayat to establish a public utility company, with foreign capital to be raised privately by them in the U.S., which would run an all-Israel bus service either in cooperation with Eshed or in competition.

They asked for no foreign currency allocations for this scheme and estimated that they could run the services at 30 per cent below Eshed fares and "still earn well."

No reply has yet been made to these offers.

Day Off for Tel Aviv High School Pupils

TEL AVIV, Monday. — The 8,000 pupils of the seven Municipal secondary schools here did not attend classes today due to a strike of 280 teachers, who demanded the payment of delayed retroactive salary increases.

The matter was settled later in the day and studies will be resumed tomorrow morning.

Hard to Tell Between Rehovot Siamese Twins

TEL AVIV, Monday. — No change was reported today in the condition of the Siamese twins at the Kaplan Hospital, Rehovot.

Further X-ray examinations were carried out today in a continuous endeavour to establish whether an operation could be performed which would save the life of one of them.

The hair of the blonde baby has already become darker, so that it is difficult to distinguish between the two girls.

The mother is reported to be progressing satisfactorily.

Drydock Called 'Obstruction'

The dry-dock acquired by the Hayama Company, through the Shilumim Corporation, will be an obstruction whether it is harboured in the Port or the Kishon estuary, Mr. Y. Rokach, of the Haifa Port Authority, told a group of journalists during a tour of the Port yesterday. The dry-dock would limit Port activities, disturb work because of its great noise and create more dirt in the Port area, Mr. Rokach said. The shallowness of the Kishon harbour waters would prevent its operation there, he maintained.

A PASSENGER about to leave by El Al for Istanbul yesterday, was held back by the police at the request of his wife. He is Mr. D. Ranon, of Tel Aviv.

Etrog Season Starts With Big Exports

Jerusalem Post Bureau

TEL AVIV, Monday. — The annual sale of *etrogim* (citrons) has begun here a month before the Feast of Tabernacles, with the customary haggling and the peculiar differences in prices. This ritual fruit ranges in price from IL.1 to IL.10 depending only partly on quality, and mainly on the social standing of the buyer, which *etrog* merchants have an uncanny way of estimating.

Etrogim are also dollar and sterling earners. A 16 per cent increase in foreign sales over last year was reported today by Mr. Y. Parnes, of the Export Department of the Ministry of Agriculture, which issues the export licences. He told *The Jerusalem Post* that 35,000 *etrogim* would be exported this year, of which 30,000 have already been sent by sea and air. In addition, 5,000 *etrogim* will be sent as presents, of which 1,000 are destined for Eastern European countries and the Soviet Union, as gifts of the Ministry for Religious Affairs through the offices of the Foreign Ministry. The ceremonial fruit is sent to rabbis and Jewish religious institutions in the Soviet Union.

Total figures show that about 80,000 *etrogim* are used in Israel, while the total foreign requirement is 35,000, with the U.S. the biggest buyer, followed by Canada with 24,000 this year, Britain 3,000 and the whole of the Continent 3,300.

350 to Rumania

While Rumania, Hungary and Poland last year bought a total of 300 *etrogim*, this year Rumania alone placed an order for 350, which has already been dispatched.

In the U.S., *etrogim* sell for an average of $8 to $10 with the price soaring up to $50 for an "extra selected" fruit. Elsewhere the average price is £1.10.0.

The Government-controlled export price is a flat rate for all *etrogim* to the U.S. at $3.15 cif. and 17 shilling cif. elsewhere, the same as last year. The expected income this year is $100,000 and £8,000.

The *etrogim* crop is outstandingly good this year, with an estimated 150,000 fruit. They remain on the trees throughout the summer.

Those not used for ceremonial purposes are made into jam by housewives.

Co-op Bakers Likely To Join in Stoppage

TEL AVIV, Monday. — The cooperative sector of the baking industry is largely in favour of joining the private sector in a general strike, it is reliably learned here. The industry's definite stand on the matter will be taken after Wednesday when the cooperative sector meets for a final decision.

The Ministry of Commerce and Industry yesterday refused the bakers' demand for an increase in the price of bread, offering instead changes in the price of flour which would give two prutot extra on a loaf of standard bread.

The Bakers' Association stated here today that, with higher wages expected in two days' time due to the increase in the Cost-of-Living Index, their demand for an 18 pruta increase would be out-dated and should be raised further. The cooperative sector demands a five pruta increase (in addition to the four prutot already received) which should extend to all types of bread and not only to standard bread.

CITRUS BOARD TO TEST CARTONS

TEL AVIV, Monday. — The Citrus Marketing Board has ordered 40,000 cartons from the U.S. as an experiment to determine whether this type of cheaper packing is more suitable than wooden crates, it was learned today.

The Board has also invited Professor Roy Smith, of the University of California, to examine fruit packing problems.

Cartons can be produced locally, but it is the opinion of many that they are not durable and the freshness of the fruit will be affected.

In the U.S., cartons are in wide use, but there the fruit is pre-cooled and vessels carrying it are air conditioned.

ISRAEL ROTARIAN GROUP IN OSTEND

BRUSSELS, Monday (INA).— The Israel Minister and Mrs. Joseph Ariel gave a luncheon at their home today followed by a reception at the Israel Legation in honour of the Israel delegates attending the International Rotary gathering in Ostend, which is to conclude today.

The three Israel delegates are Dr. Emanuel Propper and Professor E. Heilbronner of Jerusalem and Dr. J. Cogla of Tel Aviv.

Swiss Pledge $1.5m. In Israel Bonds

A quota of 6.5m. Swiss Francs (about $1.5m.) was pledged by various Swiss communities at the First National Conference of State of Israel Bonds held in Berne yesterday, it was learned in Jerusalem. The gathering, at the Schweizerhof Hotel, was attended by 180 delegates representing all Swiss Jewish communities and organizations.

Mr. P. Rosen, the Minister of Justice, who was given an ovation, recalled in the closing speech his long-standing link with Switzerland, and spoke of the efforts and sacrifices of the Yishuv, the potential of Israel's economy and the necessary role of World Jewry in achieving complete independence.

'Higher HU Fee May Cut Freshman Class'

Jerusalem Post Reporter

More than 25 per cent of this Fall's incoming freshman class at the Hebrew University may drop out during the school year if the tuition is raised to IL.300, Mr. Zvi Jaffe, chairman of the Hebrew University's Student Association, told the Press yesterday.

He was basing his estimate on a recent poll the University conducted among last year's freshmen in an effort to determine the reasons for the high rate of leaving. In the Faculty of Humanities it reached 38 per cent. More than 15 per cent of those who answered a questionnaire gave their reason for quitting as financial.

Mr. Jaffe stated that 1,900 of last year's 2,820-strong student body either worked full-time or part-time to earn all or part of a minimum of IL.100 needed each month for living expenses, tuition, books, and incidentals. More than 300 students were "chronically" unemployed.

He called for establishing "subsistence" scholarships, granted either by the local authorities or interested bodies, and a "means test" for the other students to determine their ability to pay tuition. The University's claim that tuition here was much cheaper than abroad did not take into account that in many universities in many countries higher education was entirely free or conditional upon a token payment.

Police Hear Evidence In Galin Inquiry

LYDDA AIRPORT, Monday. — Investigators from police headquarters heard evidence here today from Mr. Uri Michaeli, head of the Civil Aviation Branch of the Ministry of Communications, as part of their investigation of Mr. Uri Galin, pilot of the Piper Cub plane of the Israel Flying Club which crashed into the crowd at Ma'agan five and-a-half weeks ago. It is understood that the evidence was technical, concerning the licensing of pilots.

Police have reopened the investigation of Mr. Galin following publication of the report into the accident drawn up by the Government-apointed Committee of Inquiry.

Herut Asks Gov't To Announce Reprisals

TEL AVIV, Monday. — The Herut Party Council, which met here last night and today, adopted a resolution calling on the Government to divulge every act of retaliation against the Arabs, and to explain its general and specific motives. The Government should not "disavow the deeds of our children," the resolution added.

Retaliation for individual acts could not bring about peace, the resolution said. What the Party recommended was "a thoughtful strategy of operations intended to annul fronts and liquidate enemy centres of aggression."

The Council also resolved to urge American Jews to send protests to their Government against the arming of the Arab states. The arms, the resolution declared, would be used only in a war of annihilation against Israel.

AN EXHIBIT of house furnishings, sponsored by the Industrial Design Council, will be open until Saturday at Bet Hamehandes, Tel Aviv.

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Klara Landau-Bendy
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Tel Aviv Engineers Join Road Dep't Strike Over Favouritism

Jerusalem Post Bureau

TEL AVIV, Monday. — The strike of the Roads Section of the Municipal Engineer's Department here is about to assume serious proportions, with today's approval by the Tel Aviv Labour Council of an extension of the strike to the entire department as from tomorrow, involving close to 1,000 workers, one-fifth of all Municipal employees.

The strike began five days ago when the Roads Section workers protested against an official joining them without the approval of the Workers' Committee.

At a meeting today with Mayor Haim Levanon, the Committee and representatives of the Labour Council rejected Mr. Levanon's suggestion that he give a written undertaking that before final appointment of the official in question is made, he would consult the Committee.

The Major, in turn, rejected a counter demand to send the official on leave until Deputy Mayor M. Ichilov, reponsible for the Engineer's Department, returns from his leave in Cyprus, and the matter is thrashed out.

The Municipality, it was officially stated, expects the Ministry of Interior to intervene tomorrow. The Council is to appeal to the Histadrut Executive or the Ministry of Labour.

In the meantime, those officials of the Engineering Department who deal directly with relief projects will remain at their jobs, but a disruption in many activities is already felt and is expected to spread.

Egypt, Sudan Said Facing Worst Flood

Egypt and the Sudan are facing the biggest flood threat in history, NEABS reported yesterday. Low-lying quarters of Cairo and many villages in Upper Egypt have been flooded following a sudden rise in the level of the Nile.

The waters are expected to reach their crest this week and emergency measures have been taken to protect the villages on the river banks.

60 New Hoardings Grace Capital

Jerusalem Post Reporter

Sixty new hoardings are being put up by the Jerusalem Municipality throughout the city, including residential sections.

It is hoped that the hoardings, which are expected to stand the inroads of weather for the next 10 years, will increase the city's revenue from advertising rental which this year totalled about IL.16,000. Their cost is IL.5,500. Additional hoardings may be put up for the 1955 election campaign.

Several billboards, nailed to garden walls in residential districts, were removed after tenants had brought strong pressure to bear on the authorities, saying that they were unaesthetic. The choice of sites in many other cases had the sole effect of concentrating the unsightly posters in one spot on streets where formerly they had been plastered to houses and boards. Although it is illegal to paste bills anywhere but on official hoardings, almost every third house in some quarters, such as the German Colony and Katamon, bears witness that this by-law can be violated with impunity. Municipal action to stop this has largely proved ineffective.

The new boards, 40 of which are already up, (the rest are expected to be finished within a week) have begun, for the first time, to invade many outlying districts, such as Kiryat Yovel.

Eisenhower Accepts Hare's Resignation

DENVER, Monday (UP). — President Eisenhower today accepted the resignation of Mr. Raymond A. Hare as Ambassador to the Lebanon.

Mr. Hare is returning to the State Department to succeed Mr. Gerald A. Drew as Director General of the Foreign Service. Mr. Drew will be reassigned to an overseas diplomatic post.

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Financial Institution
REQUIRES
Secretary
Perfect Hebrew, English.
Apply: P.O.B. 1404, Tel Aviv.

NOTICE
I hereby give notice that I have applied to the Haifa Municipality for renewal of my Retailer's "OFF" licence for the sale of intoxicating liquors for the year 1955 at 3 Rehov Eliyahu Hanavi, Haifa.
Sgd. JEAN M. SUIDAN

J'lem Gets Fifth Of Budget Request

Jerusalem Post Reporter

Although the Ministry of Interior has approved only IL.437,000 from the Development Budget for the Jerusalem Municipality, the latter is demanding at least IL.2m., *The Jerusalem Post* learns.

Dr. A. Biran, Jerusalem District Representative, met yesterday with Mr. E. Eliachar, Deputy Mayor, to discuss the distribution of the IL.437,000. At the meeting, Mr. Eliachar pointed out that the Municipality needed more than IL.6m. during the next few years to provide the capital with all its needs in sewage, water, sanitation, roads and buildings.

The Development Budget provides for IL.2.5m. for municipalities, IL.1.25m. for local councils and IL.1.5m. for regional councils. Of the sum set aside for municipalities, Tel Aviv is to get IL.552,000 and Haifa, IL.435,000.

Abu Ghosh village, in the Jerusalem Corridor, has been allocated IL.6,000 for road construction and water installations. Another IL.164,000 has been earmarked for the various local authorities in the Jerusalem District and the Corridor.

Lilienthal Received By King Saud

WASHINGTON, Monday (INA). — Mr. Alfred Lilienthal of the American Council for Judaism, anti-Zionist author of the book "What Price Israel," visited Saudi Arabia and was received for 45 minutes by King Saud at his Riadh palace.

He is the first American Jew to visit that country since 1946.

COLOUR CO-EDUCATION BEGINS IN WASHINGTON

WASHINGTON, Monday (Reuter). — White and Negro students went to school together for the first time in Washington, D.C. today.

School officials said that there would be some classes with members of both races in practically every school in the District of Columbia, where white and Negro pupils previously were separated.

In White Sulphur Springs, West Virginia, about 275 of the high schools' 430 pupils went on strike in protest against the integration of Negro students into the schools.

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Austin A 40, Model 1950
Excellent condition.
Contact without intermediaries
Phone 28, Ramat Hasharon, during afternoon.

NOTICE
I hereby give notice that I have applied to the Haifa Municipality for renewal of my WHOLESALER'S licence for the sale of intoxicating liquors for the year 1955 at 3 Rehov Eliyahu Hanavi, Haifa.
Sgd. JEAN M. SUIDAN

30 Work Villages For Central Galilee

Jerusalem Post Reporter

Thirty work villages are to be established in the next two years in Central Galilee, now predominantly Arab, according to a plan accepted at the London Conference of the Jewish National Fund which took place last week. The project was presented by Dr. A. Granott, Chairman of the Board of Directors of the J.N.F., and explained by Dr. S. Lowy, of the Head Office in Jerusalem.

The project, which calls for reclaiming the land lying between existing Arab villages, is based on three principles: national security, increasing the country's agricultural output, and providing quarters for North African immigrants in the Ship-to-Farm Scheme.

Each country is to raise a definite sum in the overall figure needed to finance the project. It calls for reclaiming 20,000 dunams outside the framework of the work villages and planting three million trees.

Elifelet, near Rosh Pina, one of ten existing work villages in Upper Galilee, was pointed out as an example of the future settlements. Its land, after reclamation, was found to be extraordinarily rich and highly productive. It is settled by immigrants from Libya.

Cinema Owner Fined For Barring Tax Inspector

For preventing a Government stamp tax inspector from entering the cashier's office at the Edison Cinema, Jerusalem, and insulting him, Mr. Dov Silverstein, proprietor of the cinema, was fined IL.70 yesterday by the Jerusalem Magistrate, Mr. Even Tov.

The widespread depracatory attitude towards Government employees must be uprooted, the Magistrate said in his judgment. *(Itim)*

Cables in Brief

NYLON DOVES. — Latest in Soviet women's fashions displayed at the Leipzig Industrial Fair were nylon stockings with peace doves on them.

CUCKOO — Mass production of cuckoo clocks will soon start in the Soviet Union, Moscow Radio reports.

STRIKE. — About 100,000 Japanese workers at United States military bases throughout Japan started a 48-hour strike yesterday in protest against the dismissal of 25,000 workers and to demand an 80 per cent increase in end of contract pay.

THE ISRAEL PHILHARMONIC ORCHESTRA
HAVE YOU RENEWED YOUR
Subscription Tickets?
Only four days left for renewal of subscriptions in Tel Aviv — Last Day FRIDAY, Sept. 17, 1954.
Renewal of Subscriptions in Jerusalem and Haifa continues.
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TEL AVIV
offers you a wide range — selected in the best taste — from small attentive things to the most precious and decorative objects. Wonderful crystal vases, bonbonieres, fruitbowls, baskets, rummers in bright diamond-cut, Meissen figures, groups and vases, oil paintings by famous Masters.
If you take a look at our display-windows, please remember that these show you only a very small part of the items waiting for you inside our shop.

Closing-off of Highways
The attention of the public is directed to the fact that on the occasion of the
Race of the Sharon
(the open bicycle race)
the highways listed below will be closed to traffic on Tuesday, September 14, 1954 during these hours:
Tel Aviv-Natanya (Shore Road) from 3 p.m.—5 p.m.
Beit Lid-Natanya Highway and Natanya-Tel Aviv (Shore Road) from 3.45 — 4.30 p.m.
The public is asked to show its good will in following these regulations and to follow the instructions of the police and supervisors, in order to ensure the success of this competition, which is the first of its kind in the history of the bicycle racing sport in Israel.
This advertisement is sponsored by:
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The American drink made in Israel

MUNICIPALITY OF TEL AVIV-JAFFA
DEPARTMENT OF EDUCATION AND CULTURE
MUNICIPAL CAMPAIGN FOR HEBREW
Hebrew Ulpan
In the morning and in the afternoon
at Tchernichovsky School, 23 Rehov Tchernichovsky, Tel Aviv.
Classes open tomorrow, September 15, 1954
Registration at the offices of the Municipal Department of Education, 62 Herbert Samuel Esplanade, Tel Aviv, 9 a.m. — 2 p.m.
September 8, 1954
Municipality of Tel Aviv—Jaffa.
Department of Education and Culture

אבנעל
AVNAL
Shoes of Quality

Economic News from Abroad

- Steel production of the "Schumann" countries climbed to a new record in July, 10 per cent above the average of 1952, the boom year, and new orders again exceeded the production rate by about 25 per cent. Supplies of iron ore and coke proved inadequate, and emergency measures have been proposed to save scrap.
- It is estimated that U.S. hide exports will amount to between 4.5m. and 5m. pieces in 1954. Before World War II, the U.S. used to import between 2m. and 3m. hides annually from Argentina alone. The reversal has been caused by the heavy slaughtering of cattle in the U.S. with the higher standard of living and by the national switch-over to non-leather shoes.
- The Allied High Commission has refused permission to set up a German flour mill cartel which was to comprise 75 per cent of the country's milling capacity.
- Authority to operate the first regular helicopter service in Britain has been granted to the Silver City Airways.
- Increased competition is felt in the British canning industry which has doubled its production since World War II, but additional large plants are being planned and new machinery installed. Though costs have risen considerably over the past five years, prices were fairly stable as increased mechanization greatly increased efficiency.
- During the next 18 months Iceland is to ship one third of her total production of frozen fish and substantial quantities of salted herring and other fish products to the U.S.S.R. In return, Iceland will receive petroleum products, grain, cement, anthracite and metal goods.
- The import of several dollar commodities, mainly raw materials, has been liberalized in Italy.
- An ambitious plan to make Ceuta, a rival to Gibraltar and Tangier has been approved by the Spanish Government and is to be submitted to the Cortes. It proposes to give Ceuta a "free port" status, attracting industry with a free currency market and reduced taxes. The million people of the Spanish zone of Morocco would provide a market for the goods manufactured.
- Bowater's new $60m. pulp and paper mills at Calhoun have an initial capacity of 130,000 tons of newsprint and 55,000 tons of kraft pulp annually. The equity capital of $15m. has been subscribed by the British Bowater Paper Corporation and represents the largest investment of British capital in the U.S. since the war. The entire newsprint production of the new mills for the next 15 years has been purchased under long-term contracts by over 100 publishers in the southern part of the U.S.A. The U.S. Government has granted a certificate of necessity to newsprint under its defence programme, making it possible for Bowater to write off 45 per cent of the capital cost of the new mills over the first five years of operation.
- Ceylon's Cabinet has approved the draft of a new trade agreement with Egypt under which Egypt will freely licence the import of Ceylon goods. In return, Ceylon will buy at least 20 m. rupees worth of Egyptian goods including potatoes, onions, cotton yarn, cement and phosphates. The agreement is designed to recapture Ceylon's 60 m. rupee Egyptian tea market.
- India's food position has improved so much that official inquiries are being made to see whether Britain and Canada — former markets for a particular variety of Indian rice — are now prepared to resume trade.
- World consumption of natural rubber in 1954 will equal estimated production at 1.7m. tons. The consumption of synthetic rubber in the U.S. will decline to about 600,000 tons, compared with 780,000 in 1953, despite the higher prices of the natural product.

Water Risks Threaten Settlement Plan

By Our Economic Editor

NOW that the basic decision to resume large-scale settlement activity has been made, the three-Ministry Supreme Agricultural Planning Board is shortly to determine the size and the location of future farm settlement. Basically, it has been decided to concentrate it in one specific area, as proposed by Mr. Ben Gurion, but opinions vary as regards the best location and the number of farm units that can be added in the near future. While the final say will presumably be with financial and human resources, present deliberations are mainly concerned with the availability of water for irrigation.

The area that was originally proposed was the Breir-Beit-Govrin fringe of the Northern Negev, and there the plan envisages the establishment of about 40 new settlements comprising at least 3,500 farm units. In addition, over 2,000 farm units are to be added to the existing settlements in the "Darom," in order to make them viable and to enable them to maintain the minimum communal and security services. If all these farms are to be self-supporting, approximately 130 million cu.m. of water per annum will be needed. Experts, however, do not agree as to whether this water can be supplied before the first stage of the Jordan diversion scheme is complete, supplementing the meagre resources of the South.

Yarkon Supply Short

The total annual supply of water in the area south of the Yarkon River was previously estimated at about 630 million cu.m., of which 570m. will remain after unavoidable wastage in transit. Out of this, roughly 90m. are needed for the urban population of Tel-Aviv and the adjacent towns, 20m. for the other urban centres, 30m. for Jerusalem and the Corridor and 35m. for private farms outside settlement lands, leaving approximately 400 million cu.m. for agricultural requirements (about half of this, namely 205m., is to be provided from the Yarkon by the double pipe line now laid by "Mekorot." It will include up to 50 m. cu. m. of purified sewage water). The total requirements of the area's existing mixed farms, however, were estimated at about 450m. if the farms were to be developed along traditional lines and the stress to be laid mainly on dairy production.

In order to overcome this difficulty, a thorough reorientation of the agricultural programme was carried out last year. By basing the planned development mainly on field crops and industrial plants (wheat, barley, maize, cotton, groundnuts, sugar beet etc.) instead of heavily-irrigated fodder, it was possible to reduce the water requirements by almost one third and room could even be found for additional settlers.

According to the estimates of the Joint Planning Centre (in which the Ministry of Agriculture and the Settlement Department of the Jewish Agency participate) about 3,000 more farm units may be established in the area if its farming is developed along the new lines now recommended. To this end, however, a reparcelling of no less than 3,000 of the existing 30,000 farm units is necessary.

The consolidation of agriculture in the Negev hinges on bringing more families into the settlements, many of which are too small to stand on their own. At least 1,200 more families are urgently needed in the smallholder villages (as a matter of fact, about 800 houses are still unoccupied) and almost as many in the communal settlements, if they are to be brought to the minimum standard of social and economic self-reliance. This would mean, however, that at the very most 1,200 farm units could be established in the new settlements that are planned in the "pioneer fringe," and this runs far short of the target set by the sponsors of the project.

As the situation may be relieved by the Jordan scheme, which is to provide 400m. cu. m. of water in its first stage, it has been proposed to go on with the fully-fledged settlement project, notwithstanding present limitations. This proposal is based on a triple assumption: that the main conduit for the Jordan water will be ready and functioning by 1964 or 1965; that the water requirement of the farms will rise only gradually, as they expand their irrigation facilities and introduce more intensive crops; and that the area can be tided over the critical period with the considerable water reserves which are supposed to exist in this area.

The exact amount of these reserves is, of course, unknown, but it is presumed that approximately 300 million cu.m. of untapped water can be drawn from the subsoil in the southern fringe without endangering the future regular supply by letting salt water seep into the water bearing strata. Another potential reserve may be tapped by deeper borings in the hilly region.

Heavy Risks

On the other hand, it is maintained that to go on with settlement on those assumptions would involve heavy risks. The Jordan diversion scheme could be delayed by any one of several factors that cannot be foreseen at the present moment, and the critical period of water shortage indefinitely prolonged. The untapped reserves are all but definitely proven, and they should be kept in abeyance for emergency cases. Doubts have been expressed, for example, about the reliability of the total estimate, and some experts are of the opinion that they are over-optimistic by as much as 20 per cent on account of double counting, for a considerable part of the subsoil water flow feeds the Yarkon River.

To force existing farms and settlements to undergo "gradual development" it is also contended, amounts in practice to stultifying their growth and keeping their production so low that they will continue to depend on farm produce subsidies and on financial support in the form of guaranteed employment.

Summing up the pros and cons of the project, the opponents claim that the new immigrants should rather be settled in a more suitable area, as in the Lajun-Taanakh-Afula region. There, the Kishon Valley scheme will provide water enough for the irrigation of 70,000-90,000 dunams and 1,700-2,000 farm units, each requiring only 60 per cent of the water needed in the southern area. Though it would be on a somewhat smaller scale than the original project, such a plan could begin to be implemented in the near future, and proceed undisturbed by untoward risks.

Oriental Tobacco Displaces Virginia

Jerusalem Post Reporter

Too much planning sometimes leads to strange results and may even defeat its ends — at least in the case of Virginia tobacco. Some years ago, great hopes were pinned on this crop; settlements were encouraged to grow it, and a special company was established to this end by cigarette manufacturers. In 1952, the area planted in Virginia tobacco reached 1345 dunams and yielded 150 tons, one-sixth of the country's needs. In the agricultural development programme, 4,000 dunams were envisaged for 1960.

At present, little remains of these bright prospects. Only 38 tons were harvested in 1953, and this year, Virginia tobacco has been planted in three kibbutzim only (in Western Galilee) on an area of 200 dunams which will yield only about 35 tons. Over 100 tons have piled up now, in the stores of cigarette factories while Virginia tobacco is being imported, because manufacturers claim that the local product does not come up to standard. Nor has Virginia tobacco been exported.

This development will surprise us less if we recollect that excise rates on tobacco products were sharply raised from 1952 on, particularly on Virginia cigarettes, in order to reduce the consumption of varieties that were costing the Treasury precious foreign currency. As this move coincided with the general "squeeze" on purchasing power, the results exceeded the keenest expectations. While total consumption of cigarettes in Israel remained stationary at about 2,000 tons a year, the consumption of Virginia cigarettes fell from almost half of it in 1951 to a quarter in 1953 and to 8.6 per cent in the first half of the current year. Instead of 78 tons, we are now consuming 14 tons of Virginia tobacco per month, and of this only part can be covered by the local product.

At the same time, however, as a result of the decline in consumption of Virgina cigarettes the demand for Oriental tobacco increased by 70 per cent since 1951 (from 1,086 tons a year to 1,820 tons), local crops proved insufficient, and manufacturers were short of stocks. Therefore prices for this type of tobacco were raised by the Treasury (and in many cases premiums above the official prices were paid by cigarette manufacturers) in order to encourage farmers to expand their tobacco fields. The crop increased from 1,750 tons in 1951 to 2,450 tons in 1952. It fell again to 1,600 last year, partly as a result of unfavourable weather, but mainly because growers were disappointed at the disposal of the tobacco, which manufacturers were not ready to handle so that part of the crop rotted for lack of proper storage facilities. This year the area expanded again, and a yield of at least 2,500 tons is expected, increasing factory stocks for the first time in many years. This may also lead to improvement in the quality of cigarettes, since the tobacco used will be more mature.

Official Encouragement

Efforts to introduce Oriental tobacco in Jewish settlements did not meet with success at first, partly because settlers lacked experience and partly because they were dissatisfied with the prices paid by the manufacturers. A special company, "Aley Tabak", was therefore established by the Jewish Agency in 1953 to acquire tobacco at a higher fixed price and to grant seasonal advances of up to IL.35 per dunam to growers. As a result, 2,950 dunams were planted in new settlements (moshavim and "labour villages") this year compared with 850 dunams a year ago, and a yield of 150 tons is expected. The main Jewish tobacco farms are in Upper and Central Galilee (1,200 dunams) and in the Jerusalem Corridor (700 dunams). Non-irrigated hilly tracts of land are preferred, while Virginia tobacco requires rather heavy irrigation (450 cu.m. per dunam).

Better Variety

A considerable proportion of the Jewish Oriental crop is to be of the Samsoun variety, which is better than the Trebizond and Cavala varieties grown by the Arabs. The yield per dunam is 50-60 kg. and the price guaranteed by the company for top-grade tobacco, cured and packed, is IL.2.5 per kg. (the average price will, of course, be considerably below this guarantee). As 20 work days are required to grow, harvest, cure and pack one dunam, these prices would give the farmer an income of IL.3.5-IL.5 per working day, after costs of cultivation. More can be achieved with improved efficiency, particularly in stringing the tobacco leaves, which accounts for almost half of the work-days.

The company has put up a large warehouse at [illegible]. Whether it will also engage in fermentation will depend upon the pace of the disposal of these stocks to manufacturers. At any rate, growers have been relieved of worry about the sale of their produce, and the company is certainly in a much stronger bargaining position than the individual farmer. Should it prove impossible to pass on to the manufacturers the higher prices paid for the tobacco and should losses occur, they will presumably be written off on account of subsidies to the new settlements. The company has been endowed with a capital of IL.100,000 by the Jewish Agency and another IL.200,000 have been put at its disposal by the Ministry of Agriculture and the Treasury.

Export has also been suggested in recent years. Last year, a plan was proposed by the cigarette manufacturers, but the Treasury did not consent to the requested rate of IL.2.5 per dollar. Now, an even higher exchange rate would be necessary, for domestic prices have risen by about 20 per cent. Nevertheless, the project has been revived, and the manufacturers now mainly insist on adequate credit facilities and not on the exchange rate.

Informed circles, however, doubt whether much tobacco could be exported, particularly because of its high cost and poor quality. The domestic market can still take all our tobacco, however, as stocks at the factories need further replenishment. The "Aley Tabak" company even plans to expand its activity to about 5,000 dunams next year. The export situation may improve in due time if high-grade varieties are introduced, planted in suitable soils, and cultivated and handled properly and efficiently.

WEEK ON THE STOCK EXCHANGE

THE strength of PAL. ELECTRIC shares, LONDON Register was the feature of the narrow and otherwise dull market. The price advanced by close to 20 points during the week, the security was quoted "buyers only" and no real business was transacted. The ISRAEL register was steady and JERUSALEM ELECTRIC shares lost some ground. There were also some unofficial quotations of "A" and "B" (IL.) 4% GOVERNMENT stocks, which derived from the exchange of the Pal. Electric shares, at about 87-88 per cent.

In the meantime, according to Saturday's Financial Times, the Palestine Electric Corporation's preliminary statement for the year 1953 shows that the net profit rose from IL.36,344.— in 1952 to IL.562,323.— in 1953 and lists IL.600,000 paid in taxes. The report remarks that in view of the Israel Government's offer to take over of the ordinary share capital, the Directors are not in a position to recommend payment of dividends. It is significant that no report has been published so far in Israel.

Elsewhere in the market, there was a slight improvement in MILVE MILHAMA and MILVE HOVA. The latter were first unofficially listed on the stock market as of yesterday; until now they were treated outside the exchange. The coupons, no longer included in the price were valued at 6 per cent net, so the quotation came to about 40 per cent.

With very few exceptions, provided by PAL. COLD STORAGE issues, ATA, PAL. POTASH preference shares, prices were generally slightly lower. TAVEI DOLLAR fell a further 5 prutot probably because their price was adjusted under the Palestine Electric conversion scheme.

New York — Closing Firm

AFTER a few days of irregularity, Wall Street closed firm, wiping out a considerable part of the previous week's losses. Far Eastern uncertainties, however, restricted the activity to an average of 1½ million shares. A firm spot was Pacific Western Oil, reflecting hopes attached to a drilling in the Kuwait Neutral Zone. German bonds were firmer, with Greeks and Italians mixed. World Bank issues were marked down slightly under small offerings. The Dow-Jones Average for 30 Industrials was 347.83 against 343.10 last week, and for 20 rails 115.68 against 114.91.

London — Undertone Steady

ALTHOUGH international affairs continue to influence business, the stock market was less hesitant at week's end than earlier. Speculative issues have had a good shake-out, with gold developers in particular showing a sharp down-and-up-again movement. Industrials were mainly steady, Electrical Equipments were undecided, and oils made further headway. Anglo-Iranian were in the news, having opened the first platinum reforming catalytic plant on the Continent, in Hamburg at a cost of £4m. The Bank of England Return for last week showed an active note circulation of £1,647m. Reuter's Daily Index for Industrials was 203.6 against 202.8 last week, and for Kaffirs 87.8 against 90.3.

Gold Rises

In the middle of the week the price in London reached a new record of 250/3d. at one time. Later in the week, the tendency became a little easier, closing at 1d. lower. The upward movement was mainly a reflection of the rise in the price of gold in terms of dollars recorded on several European free markets, reaching a price of [illegible] per fine ounce. In Zurich, the price of gold sovereign was [illegible] against [illegible] last week. In Paris, after earlier demand, business was narrow and steady at weekend. Bullion market quarters felt that the recent general advance in gold was due to a revival of hoarding activity following Far Eastern political tension.

Commodities

A FEATURE of the week was the continued firm tone of GRAIN markets in London. London WOOL Sales were resumed strong, and RUBBER improved during the week, while TEA reached a new peak at the London auction, although values in Colombo were rather easier. There was little change in METALS. In New York, a smaller U.S. COTTON crop is expected and prices advanced sharply. The end of the world COFFEE shortage has been forecast by the Department of Agriculture. The price of coffee recovered slightly and Santos 4 advanced to 72 cents a pound. At the end of August it was 78 cents and in April a peak price of 95 cents had been registered.

By arrangement with
I.L. Feuchtwanger Bank Ltd.

Tel Aviv Stock Markets

SEPT. 13.		Rise or Fall
Govt. Loans		
5% 1955 (reg.)	101½	—
5% 1956 (reg.)	100	—
5% 1958 (reg.)	100½	—
Pop. Loans		
1949/69 (IL. 10)	100½a)	
1950/75 (IL. 10)	94½	—½
3½% Tavei Dollar	1346x)	+5x)
3½% War Loan 54/69	75½	+½
3½% Govt. Bonds large	96½	+½
Pal. Bearer Bd.		
Ser. 1	73c)	—½
Ser. 2	73½	+½
Ser. 3	72½	+½
B. Leumi Ord. sh.	300	—
A.P.B. Invest.		
4% Debs. 50/70	97½	—
4½% Pref. sh.	99½	—½
Ord. sh. "B"	114½	+½
Gazit Ord. Sh. "B"	107½	—
Gen. Mortg. Bk.		
4% Debs. 48/62	67½	—
6% Pref. sh.	71½	—
Bitzur 4% Debs. 48/59	86	—
4½% Debs 52/66 reg.	73½	—
Pass Debs. 4% 42/62	79	—
P.L.D.C. Ord. sh. reg.	149½	—½
5% Debs.	77½	—
Afr. Pal. Inv. Ord. sh.	107	—
Rassco 4% Debs. 56/65	68	—
6% Pref. Ord. sh.	92½	—
Pal. Potash 6% Pref. sh.	375	+2
"A" Ord. sh.	195	—
Pal. Elec. O.d. sh. (Ldn.)	634	+4
Pal. Elec. Ord. sh. (Isr.)	485	—1
Jerus. Electric (Ldn.)	307	—8
Mekoroth Pref. sh.	67½	—½
Ata 5% "C" Pref. sh.	100½	—
Ord. "C" sh.	139	+1
6-9% Conv. Debs.	102½	—
"Kurdaneh" Ord. "B" sh.	141½	—
Ord. "C" sh.	141½	—
7% Conv. Debs. 59/69	102½	—
Pal. Brewery 5% conv.	110½	—½
Assis-Bej. "B" sh.	159½	+½
"Tova" Ord. sh.	127½	—
Nesher 6% Debs. Ser. A.	111½	—½
6% Debs. Ser. B.	132	—
Pal. Cold St. 7% Debs.	143½	—
Ord. Sh. Reg.	219½	—
Lodzia 4½% Pref. sh.	69½	—
Pal. Centr. Tr. pref.	98	—

Notes: a) purchasing price; b) selling price; c) ex-coupons; d) ex-right; x) prutot per one Dollar; y) ex-div. z) ex-drawing.

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TARGETS AND PLANNING

SLOWLY but perceptibly the economic climate set by the New Policy of 1952 is beginning to change and a new outlook of things to come is taking shape. While stability is still the major aim, expansionist targets are given precedence in several fields. After two years of immigration practically compensated for by emigration we are now to absorb some 30,000 people during the next year and they are not only to be given food and shelter, but actually provided with all that is to earn them their livelihood within the shortest possible time.

This means that considerable capital investments will be required in excess of the sums envisaged by our planners for the current year. The amount of IL.45m. mentioned by the Jewish Agency Treasurer is certainly on the conservative side, but even this has not been assured. The development budget, just approved by the Knesset after much debate, seems already out of date and it will not suffice if we are to face the new tasks in earnest. If, on the other hand, the Government is to adhere to the financial pattern set by the budget, it is hard to see how the new settlement programme can be implemented without renewed credit expansion, which it is felt, should be prevented at any cost.

The new immigration and settlement targets call therefore for a reappraisal of our financial ways and means. But the targets themselves should also be submitted for public discussion. It is not at all clear to what extent they have been based on sound economic considerations and how far care has been taken to dovetail their implications with the overall planning of our economy. There are experts who claim that the proposed exploitation of our water resources is over-optimistic and would result in putting our water economy in a strait-jacket during the next most critical decade, as described elsewhere on this page.

The establishment of urban "development areas" also seems to be little more than a catch word for the time being and is likely to result in the creation of new "depressed areas," similar to those created during the days of mass immigration, if zoning and planning of industry do not become more effective. The imposing settlement project of the northern Negev has been open to criticism on several counts. By concentrating our efforts on establishing ever new settlements, it is said, we may postpone for years the economic and social consolidation of the existing ones, and while outwardly we create productive assets we in fact prolong the drain of the existing farms on the public purse.

Evidently decisions on these vital questions should be made on the advice of experts. But the public, too, should be taken into confidence before it is called on to foot the bill. Past experience has shown that rash decision is not always identical with speedy progress and failures caused by lack of thorough planning often prove very costly in terms both of money and time. It is a sad reflection on the state of our past planning that 40 per cent of the farms established in the South are now to be re-parcelled and that precious water is wasted as a result of the bad layout of the irrigation conduits. Fortunately the experience we have gained makes such errors easier to prevent in future.

Know-How For Farms

By Our Economic Correspondent

WE have witnessed a two-way movement in the past five years — from town to country and from country to town. While the settlement authorities did everything in their power to bring more people out to the farms, a steady stream of youth left the kibbutzim to go to work in the cities or to study at the higher schools. Among them there are people who could have become the instructors of new settlers or the managers of the administrative farms that are springing up in various parts of the country.

Most young people who leave the kibbutzim do not return to the farm, and only very few go in for agricultural study at the university level. Yet they are the ones who should provide our agriculture with know-how as agronomists, water engineers, experts of the future. Advanced agricultural studies would give them the opportunity to satisfy their yearning to learn, to develop their faculties and to utilise their experience.

The youth movements discourage university study, and indeed at first the young people who found or join a kibbutz are satisfied with taking pride in hard work and seeing their settlement grow. After a couple of years, however, the glamour of this sort of life begins to pall. First one member leaves, then another. For many kibbutzim, this is the beginning of a severe crisis. Those settlements that decide in time to send off some members to study, need not lose them. The relationship between the students and the rest of the group is not severed: it is taken for granted that they will come back after learning what they have been sent out to learn. This is done only in a minority of cases, however.

Things could be different if, as early as at the secondary school level, the youth movements would switch their emphasis from the general slogan of the kibbutz to that of a thorough agricultural education. The youngsters would be told that Israel needs the best brains and the best expert knowledge that it can get on its farms today, and that a boy or girl of 18 who does not join a settlement immediately is not deserting his ideal if he is studying agriculture.

5m. from Abandoned Property

ABANDONED property brought in five million pounds in 1953-54, and of this IL.250,000 were yielded by the recently introduced key money system, according to the latest annual report of the Development Authority. There were 65,401 units, including 42,128 residential units and 7,670 commercial units: 23,698 were located in Jaffa and 15,696 in Haifa.

The overall net income from abandoned property in 1949-54 adds up to eight million pounds. Maintenance and repair costs were stable during that period, totaling about IL.1,150,000 every year, but municipal and local taxes rose gradually from IL.231,000 in 1949 to IL.1,097,000 during the past fiscal year.

The yields of abandoned citrus groves have increased tenfold during the past five years due to the effort invested in other improvements. The groves, which total 29,000 dunams, produced over 1,760,000 crates last season.

By the end of March, 1,220,000 dunams had been transferred to the Development Authority under the 1953 Land Acquisition Law, and out of an expected total of IL.15m., IL.500,000 has already been approved as compensation to landlords. The process of receiving applications for compensation, screening them and negotiating their settlement in cash and in land is proceeding smoothly at the three regional compensation offices in Jaffa, Haifa, and Tiberias.

The Development Authority also allocated IL.400,000 of frozen Waqf religious funds to two health centres in the Little Triangle, a home for the aged in Jaffa, and a Moslem orphanage in Acre. This is the first time in history that Waqf funds are used for the benefit of Israel's Arab community.

Besides the Development Authority, which has taken over the functions of the Custodian of Abandoned Property, the Property Department of the Ministry of Finance, established in April, 1953, includes the Office of the Custodian of German Property, the Office of the Custodian of Enemy Property, and the State Domains Division. Enemy property released until March 1953 totals IL.3,813,000. No figures are listed for the value of German property frozen by the State.

During the past fiscal year, the State Domains Division acquired 1,900 dunams of land under the Land Regulations of 1943 (Acquisition of Land for Public Purposes); paid over one-and-a-half million pounds in compensation to owners; received a total of 3,105 dunams as a result of court decisions in disputes between individuals and the State Domain; and signed 1,121 contracts leasing state domain to individuals over terms from one to 49 years. W.G.T.

THE WEEK'S EXPORT

Exports loaded in Haifa port during the week ending September 11, totalled 3,635 tons and included 41 products sent to 17 different countries.

The larger consignments were: 2,844 tons of cement, (Turkey and Australia); 200 tons of scrap iron, (Italy); 150 tons of plate glass (Yugoslavia, Turkey); 82 tons of zinc scrap, (Holland); 60 tons of plywood, (Britain); 60 tons of vehicles, (Turkey); 42 tons of tires and tubes, (Turkey and Yugoslavia); a 20-tons of candles, (U.S.A.) 11 tons of paint, (Turkey).

Other items, shipped in quantities of ten tons and under, included halva, wool, eggs, car parts, wool yarn, false teeth, water softeners, barrels, fruit concentrates, cauliflower seeds, clover seeds, (Australia), stockings, books, "etrogim," electric refrigerators, penicillin, chemicals, religious articles, razor blades, (Bulgaria); hammers, shaving brushes, pencils, batteries, kerosene stoves, corks, cork sheets, and rope.

BRITISH FIRMS SHARE PROFITS

COURTAULDS, Britain's largest manufacturer of rayon, recently announced that next year it would launch a profit-sharing scheme for its 23,500 employees. The scheme will be broadly similar to that announced less than two months ago by the vast Imperial Chemical Industries combine, employing over 75,000.

With this influential lead, it is more than possible that other schemes for some of the big names in British industry will follow shortly.

It is estimated that a quarter of all British firms now operate some form of bonus payment or profit-sharing, and in almost every case the details of the scheme, whether written or unwritten, are different. To attempt to fit all these infinite variations into a legal strait-jacket would be impracticable and, very often, unpopular with employees as well as directors. (OFNS)

Company Report

Zion Insurance Raises Capital

THE "Zion Insurance Company" report for 1953 contains some features of special interest. The share capital has been raised from IL.100,000 to IL.250,000 by issue of shares to the original shareholders (a minimum of IL.150,000 is required for an insurance company by the regulations). Together with open reserves, total own means now amount to IL.344,000.

The company also purchased all the shares of the "Judea Insurance Company", with which it maintained close relations and cooperated technically in various departments. This investment is listed at IL.550,000 "at cost" below the estimated real value. Other securities dropped from IL.250,000 to IL.215,000. Loans on policies increased from IL.89,000 to IL.145,000, but other loans remained at IL.538,000, almost like a year ago.

The company's business continued to expand, and total income reached IL.3.05m. compared with IL.2.51m. in 1952. The premium income in the life department was IL.372,000 (IL.302,000), but the premium on own account increased by 60 per cent (to IL.345,000) as a result of the re-purchase of the old reinsurance portfolio and the switch over to risk basis reinsurance exclusively in order to reduce reinsurance expenses. The basis for calculating the reserve premium remained unchanged and the net reserve increased from IL.811,000 to IL.1.04m. (while deposits by reinsurers declined accordingly). Total portfolio of life insurance in force surpassed IL.7m.

Considerable progress was made in general and marine insurance in the accident department, in which premiums rose by over 25 per cent, and in the fire department. Total gross premiums reached IL.2.6m. Losses were fairly high in the motorcar department, but the position improved this year after premiums had been raised and the excessive repair costs had gone down somewhat. The loss of workmen's compensation insurance should cut income by about 20 per cent. this year, but the company hopes to recover a small part of it in the form of additional third-party insurance, which has not been taken over by the Government. The total premium income in 1954 is expected to reach the level of the previous year.

The general expenses of the company rose from 11.2 per cent to 13 per cent and are expected to increase further. Net profit and dividends remained at the previous level.

The following figures illustrate the company's recent development:

	1953	1952	1951
Capital	250	100	100
Life assurance fund	1,065	840	[illegible]
General insurance fund	1,023	800	[illegible]
Total premium income	3,050	2,511	1,380

Bus Traffic Falls Off

THE total volume of motor transport in this country increased by 3.2 per cent in 1953, but freight transport remained almost stationary and the volume of bus traffic dropped by 7.6 per cent, figures of the fifth traffic census, carried out at the end of February, indicated. The bulk of the increase was due to the expanding traffic of passenger cars and taxicabs, which rose by nine per cent. Compared with 1951, car traffic was up 34 per cent and bus traffic six per cent, while goods traffic stayed at the same level.

The failure of the freight traffic to expand despite the greater quantities of agricultural produce shipped to the markets and the bigger turnover of import and export commodities, is attributed to the decline in building activity, which accounted for almost one half of ton-kilometrage in 1952.

The decline in the bus traffic was mainly the result of the higher fares and the reduced purchasing power of the population. A contributory factor was also the decline of immigration, for on the average new immigrants travel more than residents who have a fixed home and occupation. Bus companies were also adversely affected by the increased competition of the railroads and taxicabs. The number of railway passengers was 23 per cent higher in the first five months than in the same period in 1953. Inter-urban cab traffic rose by approximately one-third.

Motorcycle traffic also declined slightly despite the greater number of motorcycles registered. This fact is tentatively attributed to the bad state of repair of many motorcycles, most of which are over ten years old.

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